

INDIAN TEA ASSOCIATION



REPORT

OF THE

GENERAL COMMITTEE

FOR THE YEAR ENDED 31st DECEMBER, 1962.



Calcutta:
1963.

REPORT
INDIAN TEA ASSOCIATION
1962

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INDIAN TEA ASSOCIATION

REPORT OF THE GENERAL COMMITTEE FOR THE YEAR ENDED 31ST DECEMBER 1962.

The General Committee have pleasure in presenting to members their report on the work of the Association during their period of office.

Membership.— (a) *Admissions.*—The following tea estates were admitted to the membership of the Association during the year :—

Dekiajuli Tea Estate.

Kajanibari Tea Estate.

Nirmala Tea Estate.

Poobong Tea Estate.

Rungmook and Cedars Tea Estates

Singell Tea Estate.

(b) *Resignations.*—The following tea companies and tea estates resigned from the membership of the Association during the year :—

Borjan Tea Co., Ltd.

Goneshbari Tea Estate.

Koliabur and Seconee Tea Co., Ltd.

Konikor Dallim Tea Estate.

New Purupbari Tea Estate.

Palandu and Sabaya Tea Estates.

Sonajuli Tea Estate.

Tarrapöre Tea Co., Ltd.

The membership area of the Association as at 31st December 1962, stood at 145,924 hectares as compared with

148,212 and 149,600 hectares at 31st December 1961 and 1960 respectively.

General Committee, Chairman and Vice-Chairman.— At the Annual General Meeting of the Association held on the 9th March, 1962 the following firms were declared elected by the vote of members to constitute the General Committee for the year 1962 and the representatives of these firms, who comprised the Committee during the year, were as follows :—

<i>Firms</i>	<i>Representatives</i>
Balmer Lawrie & Co., Ltd.	{ Mr. H. K. FitzGerald Mr. P. C. Simms
Davenport & Co., Ltd.	Mr. B. P. Bajoria
Duncan Brothers & Co., Ltd.	Mr. A. F. Macdonald
Gillanders Arbuthnot & Co., Ltd.	Mr. G. A. Whitaker
James Finlay & Co., Ltd.	{ Mr. N. S. Coldwell Mr. A. N. Sircar
James Warren & Co., Ltd.	Sir Richard Duckworth, Bt.
Jardine Henderson Ltd.	{ Mr. B. D. C. Dunhill Mr. J. F. Gibbs
Macneill & Barry Ltd.	{ Hon. S. P. Sinha Mr. M. C. Taraporvala
Octavius Steel & Co., Ltd.	Mr. G. Kydd
Shaw Wallace & Co., Ltd.	Mr. A. C. H. Dolphin
Williamson Magor & Co., Ltd.	{ Mr. P. B. Nicholls Mr. F. Carman
Andrew Yule & Co., Ltd.	{ Mr. G. F. Oldham Mr. P. A. Francis

At the first meeting of the General Committee held on the 13th March, 1962, Sir Richard Duckworth, Bt. of James Warren & Co. Ltd. was elected Chairman of the Association and Hon. S. P. Sinha of Macneill & Barry Ltd. was elected Vice-Chairman.

Sub-Committees.—The following Sub-Committees were constituted during the year 1962 :

The West Bengal Sub-Committee

Mr. G. Kydd,	Mr. G. W. Maycock
Chairman	Mr. C. R. F. Mackenzie
Mr. A. F. Macdonald,	{ Mr. G. F. Oldham
Vice-Chairman	{ Mr. P. A. Francis
Mr. F. Carman	Mr. L. N. S. P. Pyke
Mr. M. Lamond }	Mr. A. N. Sircar
Mr. J. F. Gibbs }	Mr. D. B. Wallace

With the reconstitution of the Terai Planters Association as the Terai Branch Indian Tea Association in July 1962, it was considered desirable to redesignate the Association's Darjeeling and Dooars Sub-Committee, which would also deal with the affairs of the Terai, as the West Bengal Sub-Committee.

Scientific Department Sub-Committee

Mr. N. S. Coldwell,	} Mr. G. Kydd
Chairman.	
Mr. A. N. Sircar	
{ Mr. P. B. Nicholls,	Mr. R. MacIntosh
Vice-Chairman	Mr. C. R. F. Mackenzie
{ Mr. M. J. Griffiths	
Mr. M. S. Christie	{ Mr. G. F. Oldham
	{ Mr. P. A. Francis
Sir Richard Duckworth, Bt.	{ Hon. S. P. Sinha
	{ Mr. M. C. Taraporvala
Mr. J. A. Eastwood	Mr. D. B. Wallace
{ Mr. H. K. FitzGerald	Mr. G. A. Whitaker
{ Mr. P. C. Simms	

During the absence on leave of Mr. N. S. Coldwell,
Mr. P. B. Nicholls acted as Chairman of the Sub-Committee.

Labour Wages and Bonus Sub-Committee

Sir Richard Duckworth, Bt.	{ Hon. S. P. Sinha
Chairman.	{ Mr. M. C. Taraporvala

Mr. B. P. Bajoria

Mr. G. A. McCarthy	}	Mr. G. A. Whitaker
Mr. P. C. Simms		

Foodstuffs Sub-Committee

{	Mr. H. K. FitzGerald,	{	Mr. A. C. H. Dolphin
	Chairman.		Mr. P. B. Nicholls
	Mr. P. C. Simms		Mr. F. Carman

Tea Warehousing and Shipping Sub-Committee

{	Mr. H. K. FitzGerald,	{	Hon. S. P. Sinha
	Chairman.		Mr. M. C. Taraporvala
	Mr. P. C. Simms		

Mr. M. J. Chaytor	Mr. M. R. Smith
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Finance and Taxation Sub-Committee

Mr. J. S. F. Gibb,	Mr. D. A. Houghton
Chairman.	
Mr. F. D. Collins	{ Mr. G. A. McCarthy
	{ Mr. J. Chandy
Mr. S. B. Dutt	
Mr. D. Fordwood	Mr. S. K. Mitra

Supplies, Transport and Freight Rates Sub-Committee

Mr. M. R. Smith,	{	Mr. S. K. Mullick
Chairman.		Mr. A. Mukherji
Mr. V. K. Chaudhri	{	Mr. H. K. Rao
		Mr. P. Steyn
Mr. J. Duncan	{	Hon. S. P. Sinha
		Mr. M. C. Taraporvala
{ Mr. G. Morgan		Mr. A. N. Sircar
{ Mr. A. J. Cameron		

Customs and Excise Sub-Committee

{ Hon. S. P. Sinha,	Mr. S. K. Mullick
Chairman.	
{ Mr. M. C. Taraporvala	
{ Mr. G. Morgan	{ Mr. P. C. Simms
{ Mr. A. J. Cameron	{ Mr. G. A. McCarthy

Cachar Sub-Committee

Mr. G. Kydd,	{ Mr. M. Lammond
Chairman.	{ Mr. J. F. Gibbs
Mr. A. F. Macdonald	{ Hon. S. P. Sinha
	{ Mr. M. C. Taraporvala

Emoluments Sub-Committee

Sir Richard Duckworth, Bt.	{ Mr. G. A. McCarthy
Chairman.	{ Mr. P. C. Simms
	Mr. R. C. N. Scott
{ Mr. B. D. C. Dunhill	{ Hon. S. P. Sinha
{ Mr. J. F. Gibbs	{ Mr. M. C. Taraporvala

Headquarters Staff.— The Association's staff at Headquarters at present consists of Mr. J. L. Llewellyn, the Deputy Chairman, Mr. P. Crombie, the Calcutta Adviser and Mr. T. J. Mathias, the Additional Adviser. Mr. Crombie was on leave from March to July 1962, Mr. Llewellyn from June to August 1962 and Mr. Mathias from July to October 1962. During the simultaneous absence of Mr. Llewellyn and Mr. Crombie in June/July 1962 Mr. Hardman was transferred to Calcutta to act as the Association's Senior Adviser.

The Association's secretarial work continued to be performed by the Bengal Chamber of Commerce and Industry from whose staff Mr. E. I. Brown, Mr. W. M. Paris and Mr. J. D. J. Rochford were deputed to attend to the Association's work.

Secretarial Staff of the Branches.— Mr. P. N. McWilliam retired in March 1962 and Mr. S. B. Datta was appointed as Secretary of the Assam Branch Indian Tea Association in his

place. The Branch staff was also strengthened by the appointment of Mr. S. Raha in March 1962.

Mr. D. K. Dutta, the Zone 1 Secretary proceeded on leave in the middle of December 1962.

Mr. J. R. Gee-Smyth the Zone 2 Secretary was on leave from July to December 1962, while in Zone 3, Mr. G. T. Allen was on leave from March to September 1962.

Mr. Langford-Rae acted as the Zone 2 Secretary during Mr. Gee-Smyth's absence and returned to Zone 1 to take over from Mr. D. K. Dutta in December 1962. Mr. Raha assisted Mr. Jaitly in Zone 3 during Mr. Allen's absence on leave and is now posted at Zone 1.

Mr. K. N. Sircar continued as Secretary of the Surma Valley Branch during the year under review.

In the Dooars Branch, the Secretary, Brig F. H. Stevens took a month's leave during September/October 1962. Mr. R. C. Mazumdar, the Joint Secretary, acted as the Branch Secretary.

Mr. P. J. Parr continued as Secretary of the Darjeeling Branch Indian Tea Association. He was on leave for three weeks in November 1962 and during his absence Mr. R. C. Mazumdar acted as Secretary to the Branch.

Mr. J. D. Gabriel continued as Secretary of the Terai Branch Indian Tea Association after the re-constitution of the Terai Planters Association as the Terai Branch.

Labour Department.— During the year under review the staff of the Assam Branch was strengthened by the appointment of Mr. S. Raha.

Mr. J. R. Gee-Smyth was on leave from July to December and during his absence Mr. R. D. E. Langford Rae acted as Labour Adviser to Zone 2.

Mr. G. T. Allen was on leave from March to September 1962. Mr. Jaitly acted as Labour Adviser to Zone 3 during Mr. Allen's absence and he was assisted by Mr. S. Raha.

Mr. D. K. Dutta proceeded on leave in December 1962 and Mr. R. D. E. Langford Rae took charge as Labour Adviser Zone 1. He is assisted by Mr. S. Raha.

In the Dooars, Mr. S. Singh was appointed as an Additional Labour Adviser in September 1962. The Labour Adviser, Mr. R. C. Mazumdar, acted as Branch Secretary during September/October 1962 when Brig. Stevens was on leave. Mr. Mazumdar also acted as Labour Adviser of the Darjeeling Branch when Mr. Parr was on leave during November 1962. Mr. T. Borooah was on leave from May to September 1962.

The Labour Department staff are now posted as follows :—

Mr. J. E. Atkins	Headquarters	
Mr. R. D. E. Langford Rae	} Zone 1	} Assam Valley
Mr. S. Raha		
Mr. J. R. Gee Smyth	Zone 2	
Mr. G. T. Allen	} Zone 3	
Mr. R. K. Jaitly		
Mr. D. K. Dutta	on leave	
Mr. K. N. Sircar		Surma Valley
Mr. R. C. Mazumdar	} Dooars	
Mr. T. Borooah		
Mr. S. Singh		
Mr. P. J. Parr		Darjeeling

Statistical Department.— Dr. S. K. Mitra, who had been appointed as Statistician in 1961, resigned during the year.

The Association appointed Mr. D. Chakravarti, as Economic Adviser in the vacancy thus created. Mr. Chakravarti was educated at the Calcutta University and at the London School of Economics and worked for about six years, mainly in a statistical capacity, with a company in

London. It is expected that, once he has familiarised himself with the affairs of the Association and of the industry, Mr. Chakravarti will be able to make a positive and constructive contribution to the development of the Association's work.

The Tea Board.— (1) *The Board.*—The Association was represented on the Tea Board during the year under review by the following gentlemen :—

Mr. N. S. Coldwell

Mr. J. P. Hannay

Mr. T. J. Hardingham

Mr. I. F. Morriss

Mr. Hardingham resigned in June 1962 and Sir Richard Duckworth, Bt. was appointed as a member of the Board in his place. Mr. I. F. Morriss was appointed Vice-Chairman of the Board for 1962/63.

(2) *The Executive Committee.*—The Tea Board has an Executive Committee of nine members and the following gentlemen represented the Association on it during the year under review :—

Mr. N. S. Coldwell

Mr. I. F. Morriss

(3) *Licensing Committee.*—Rule 12 of the Tea Rules 1954 provides for the constitution of two Licensing Committees, one for North India and one for South India. The Association's representative on the North India Committee is Mr. I. F. Morriss.

(4) *Export Promotion Committee.*—The Tea Board has an Export Promotion Committee of seven members, which is entrusted with the task of promoting exports of tea. The Association was represented on the Committee during the year under review by Mr. N. S. Coldwell.

(5) *Labour Welfare Committee.*—The Association was represented on the Labour Welfare Committee of the Tea Board by Mr. I. F. Morriss.

(6) *Ad Hoc Advisory Committee on Schemes for Assistance to the Tea Industry.*—Mr. N. S. Coldwell and Mr. I. F. Morriss represented the Association during the year under review on the Tea Board's *Ad Hoc* Advisory Committee on Schemes for assistance to the Tea Industry.

(7) *Ad Hoc Research Liaison Committee.*—One of the functions of the Tea Board is to undertake, assist or encourage scientific, technological and economic research and the task of making recommendations for this purpose is allotted to the Tea Board's *Ad Hoc* Tea Research Liaison Committee on which the Association was represented during the year under review by the following gentlemen :—

Mr. N. S. Coldwell

Mr. T. J. Mathias

The Director, Tocklai Experimental Station.

Indian Standards Institution.— The Association continued its membership of the Indian Standards Institution during 1962 and was represented on the following Committees of the Institution by :—

- (i) *Wood Products Sectional Committee.*—Mr. F. Carman and Mr. P. B. Nicholls both of Williamson Magor & Co. Ltd. as principal and alternate representatives respectively.
- (ii) *Agricultural and Food Products Division Council.*—Mr. N. G. Gokhale, Director, Tocklai Experimental Station and Mr. S. Ananda Rau, Chief Scientific Officer of the United Planters Association of Southern India as principal and alternate representatives respectively.
- (iii) *Tea Sectional Committee.*—Mr. N. G. Gokhale, Director, Tocklai Experimental Station.

Representation of the Association on various Bodies.—The Association was represented on various public bodies during 1962 as follows :—

- (a) The Governing Body of the Endowment Fund of the School of Tropical Medicine, Calcutta by Mr. N. S. Coldwell.
- (b) The Committee of Control of the Ross Institute of Tropical Hygiene, India Branch by Mr. H. Mackay Tallack.
- (c) The Eastern Regional Committee of the Central Commercial Representation Fund by Mr. N. S. Coldwell.
- (d) The Railway Rates Advisory Committee by Hon. S. P. Sinha.
- (e) The West Bengal Leprosy Association by Mr. V. K. Chaudhri.
- (f) West Bengal Pradesh Committee of the Sardar Vallabhbhai Patel Memorial Fund by Mr. G. A. Whitaker.
- (g) West Bengal Industrial Sub-Committee on Tea Plantations by Mr. T. J. Mathias.
- (h) North Bengal Flood Advisory Committee by Mr. C. R. F. Mackenzie.
- (i) Minimum Wages Central Advisory Board by Mr. P. Crombie.
- (j) West Bengal Minimum Wages Advisory Board by Mr. P. Crombie.
- (k) Export Sub-Committee of the Bengal Chamber of Commerce and Industry by Sir Richard Duckworth, Bt.
- (l) Labour Relations Sub-Committee of the Bengal Chamber of Commerce by Mr. T. J. Mathias.

Indian Tea Association (London).— As in the past the General Committee corresponded throughout the year with the Indian Tea Association (London) on all matters of common interest and liaison between the two Associations was greatly facilitated by an interchange of visits, which made possible discussion on many of the problems which confronted the Industry in 1962.

In addition to his usual cold weather visit in November/December 1962, Sir Percival Griffiths, Adviser to the London Association, paid two short visits to India in April and July/August 1962. These visits were most useful as they gave the Committee an opportunity of discussing the various matters which were under correspondence at that time with London. During his cold weather visit Sir Percival accompanied the Chairman on a tour of the tea districts.

Mr. J. R. Vernede and Mr. H. C. Bannerman of the London Association were invited to become honorary members of the Calcutta Committee during their visits to India in October/November 1962.

Similarly in London, the Hon. S. P. Sinha was invited to become an honorary member of the London Committee when he was on a visit to the U.K. on business.

In accordance with custom, the Chairman and Deputy Chairman paid a visit to London in July 1962, when discussions on a wide range of subjects took place.

United Planters Association of Southern India.— As in the past, liaison has been maintained by the Association with the United Planters Association of Southern India by an exchange of views on matters of importance to the Tea Industry. The South Indian Association was represented at meetings of the Consultative Committee of Tea Producer Associations held in Calcutta in May, June and August, 1962. The Chairman and Deputy Chairman visited South India in September 1962 to

attend the Annual General meeting of the United Planters Association of Southern India.

The arrangements which were made towards the end of 1961 for the utilisation of the services offered by the Delhi Liaison Office of U.P.A.S.I. were continued during the year.

The Branch and District Associations.— The various Branch and District Planters Associations with whom the Association corresponded on all matters of interest to producers were as follows :—

	<i>Membership area in hectares</i>
Assam Branch Indian Tea Association ...	99,239
United Planters Association of Southern India ...	59,505
Dooars Branch Indian Tea Association ...	42,882
Tea Association of India ...	28,877
Indian Tea Planters Association, Jalpaiguri ...	25,412
Assam Tea Planters Association ...	20,683
Surma Valley Branch Indian Tea Association ...	19,970
Bharatiya Cha Parishad ...	17,839
Darjeeling Branch Indian Tea Association ...	16,985
Surma Valley Indian Tea Planters Association ...	7,361
Terai Branch Indian Tea Association ...	5,020
Tripura Tea Association ...	4,430
Terai Indian Planters Association ...	4,227
Kangra Valley Indian Planters Association ...	3,844
Dehra Dun Tea Planters Association ...	1,734

Consultative Committee of Tea Producer Associations.—The Consultative Committee continued to function throughout the year and held a total of eleven meetings, all of which were held in Calcutta. As in the past, the Consultative Committee served a very useful function in that it provided a forum in which the producers' views on various matters of interest to the Industry could be usefully exchanged. The Committee's discussions

during the course of the year covered, among other matters, the following principal subjects :—

- (1) the questionnaire issued by the Bonus Commission. An agreed reply was sent on behalf of all the constituent Associations in North India, except the Indian Tea Planters Association, which submitted a separate reply to some of the questions in the questionnaire ;
- (2) the grant of interim relief by the Wage Board ;
- (3) the formation of the Tea Research Association. The meeting of the Consultative Committee held on the 16th April 1962 was attended by Professor M. S. Thacker, Director General of the CSIR, Mr. A. J. Kidwai, Secretary to the CSIR, and Dr. K. K. Mitra, Research Liaison Officer of the Tea Board, when the entire proposal for the setting up of the Tea Research Association was examined and explained to the representatives of the Producer Associations ;
- (4) *Gauhati Auctions*.—The Committee submitted a representation to the Assam Government explaining the reasons why the Industry was opposed to the establishment of Tea Auctions at Gauhati ;
- (5) *Administration of the Public Warehouses in Calcutta*.—Mr. B. N. Nobis was appointed as the representative of the Consultative Committee on the Committee set up by the Tea Board to consider a proposal that the administration of the public warehouses should be handed over to the State Warehousing Corporation. The Committee were not in favour of this proposal and it was suggested that Balmer Lawrie & Co. Ltd. should continue to administer the public warehouses in view of their wide experience of the needs of Tea industry and trade ;

- (6) *Mahatma Gandhi's Birthday.*—It was agreed to grant an additional holiday with pay on the 2nd October 1962 in Assam.

All these matters are dealt with in greater detail elsewhere in this Report.

Terai Branch Indian Tea Association.— In last year's report it was mentioned that consideration had been given to a proposal that the Terai Planters Association should be amalgamated with the Darjeeling Branch. This proposal, however, was not found acceptable to the Darjeeling Branch. A proposal for the amalgamation of the Terai Planters Association with the Dooars Branch was similarly found unacceptable. It was finally decided that the Terai Planters Association should remain a separate organisation but should be reconstituted as the Terai Branch of the Indian Tea Association ; that the present Secretary should also become the Branch Labour Officer ; that an extra clerk should be appointed to assist with the general office routine ; and that, if a third labour adviser were appointed, the Dooars Branch should provide a leave relief for the Terai.

The reconstitution of the Terai Planters Association as the Terai Branch Indian Tea Association took effect from the 1st July 1962.

International Tea Agreement.— No positive developments towards the renewal of the International Tea Agreement took place during the year under review. The Association was informed by the Ministry of Commerce and Industry that the International Coordinating Committee on International Commodity Agreements was possibly not the best organ for processing this matter and that it would perhaps be preferable to agitate the question of setting up a Tea Study Group before the Committee on Commodity Problems, which was the main organ of the F.A.O. for consultation on commodity problems and which was likely to hold a meeting in April/May 1962 when

the F.A.O. report on Tea Trends would possibly form the main item on the agenda.

Unfortunately, however, as far as the Association is aware this Committee has not yet met and although the Association has taken every opportunity of drawing this matter to the attention of all concerned no further progress has been made.

Tea Control in India.—(1) *The Tea Act.*—Control over the planting of tea in India and over its export from this country is exercised by the Government of India through the medium of the Tea Act, 1953.

(2) *The Licensing Committee.*—The provisions of the Tea Act, in so far as they relate to tea control, are enforced by the Tea Board acting through the medium of two licensing committees, one for North India and the other for South India. The Association's representative on the North India Committee is Mr. I. F. Morriss of Jardine Henderson Ltd.

(3) *Export Quota Allotment.*—The export quota system continued under suspension during the year under review but all exports of tea had to be covered by licences which were issued by the Tea Board on payment of a licence fee of Rs. 2.20 per metric tonne or part thereof.

(4) *Export of Tea Seed from India.*—As is customary the Tea Board asked all Producer Associations in March 1962 to submit details of the amount of tea seed likely to be produced by their members during the year and also the amounts likely to be required by them for replacements and new plantings. The returns submitted by tea estates indicated that their requirements of tea seed would exceed their production and in December 1962, the Tea Board advised the Industry that the Government of India had decided that no tea seed should be allowed to be exported from India during the year 1962/63.

(5) *Tea Extensions.*—By a notification dated the 15th November 1962, the Government of India amended Clauses (a), (b), (c), (cc) and (d) of sub-rule (2) of rule 30A of the Tea Rules 1954 to further liberalise the conditions for the grant of permits for extensions to tea estates.

The following is a comparison of the new rules with the previous rules :—

<i>Previous Rules</i>	<i>New Rules</i>
1. Estates of 60 hectares and below may extend by 40% subject to a minimum of 1 hectare and a maximum which will not increase the estate's area over 75 hectares.	1. Estates of below 10 hectares may be allowed to extend by an area which will bring the estate's area to 10 hectares.
	1A. Estates of area between 10 and 60 hectares may be permitted to double their areas.
2. Estates of 60 to 120 hectares may extend upto 25% subject to a maximum which will not increase the estate's area above 138 hectares.	2. Estates of 60 to 200 hectares may extend upto a maximum of 60 hectares.
3. Estates of above 120 hectares may extend by 15%.	3. Estates of above 200 hectares may extend by 30%.

The Tea Act 1963.— (1) *The Act.*—There were no amendments to the Act during the year under review.

(2) *The Rules under the Act.*—Rule 12 of the Tea Rules 1954 was amended by a notification dated the 8th February 1962 issued by the Government of India, Ministry of Commerce and Industry, to provide for the constitution of a Labour Welfare Committee. The notification, which is reproduced in the appendices, also made a consequential amendment in Rules 13.

By a notification dated the 15th November, 1962, a copy of which is reproduced in the appendices, the Government of

India, Ministry of Commerce and Industry, amended rule 30A of the Rules to liberalise further the conditions for the grant of permits for extensions to tea estates. Details of the changes made are recorded in an earlier paragraph in this report.

(3) *Tea Cess*.—During the year under review tea cess continued to be levied on exported teas at the rate of Rs. 4.4 per one hundred kilograms.

During the year it was proposed to the Calcutta Tea Traders Association that tea cess should no longer constitute a transaction at the time of the sale of tea by auction but that it should be payable by the exporter and only at the time of shipment regardless of whether he was a buyer or a seller. This proposal was justified on the grounds that :—

- (1) Tea Board funds are now used for the general benefit of the tea trade and industry and are no longer to be considered the property of producers.
- (2) The payment of cess constitutes, in effect, a direct subsidy to internal purchasers which was not in accord with the country's policy for promotion of exports.
- (3) There would be a substantial administrative saving in Brokers' and Sellers' offices as a result of the proposed change.

The Calcutta Tea Traders Association agreed that the present procedure for the collection of cess was unsatisfactory, but they were unable to accept the Association's suggestion that the cess should be paid by the exporter because it was felt that additional imposts on export shipments already constituted a deterrent to overseas buyers and that the imposition of what might have the appearance of yet another additional charge would be a further disincentive to exports. The C.T.T.A. after considering a number of alternative methods of collection suggested that an approach should be made to the Government of India to have tea cess collected on the estate, on a deferred payment basis of 90 days. On further consideration the Association agreed that the C.T.T.A.'s suggestion perhaps formed the only satisfactory method of dealing with this problem and

at the time of writing the Consultative Committee of Tea Producer Associations is considering the preparation of a scheme for the collection of cess at Rs. 2.50 per 100 kg. on all teas.

The Marketing of the 1962 Crop.—(1) *Crop.*—On the basis of the monthly crop returns submitted by Agency Houses the 1962 tea crop in North East India has been estimated by the Association's Statistical Department at 262,226,043 kilograms as compared with the revised estimate of 273,585,516 kilograms for 1961 which indicates a fall of 4.15 per cent.

(2) *Export Quota Allotment.*—The suspension of the export quota system continued during the year under review.

(3) *Calcutta Auctions.*—The export sales of the 1961/62 season were completed by the end of March 1962. Old seasons dust teas were all sold by the end of June 1962 except for a few invoices which were included in the first sale of July with new season dusts.

No special sales for Darjeeling teas were held and from Sale 1 held on the 24th May all growths were catalogued, although the bulk of offerings were from the Darjeeling district. Sale 2 to Sale 5 were held at fortnightly intervals and thereafter sales were held weekly so that by the end of the year 28 sales had been held.

Owing to the abolition of the export quota system, catalogues this season were divided into Leaf and Dust instead of Export, Internal Leaf and Dust as hitherto. The supplement catalogue, consisting mainly of part damaged and repacked teas, continued as before.

(a) *Leaf Sales.*—Demand at the leaf sales held in May and June was fair and Darjeeling teas sold at prices below the rates ruling in 1961 with many lines having to be withdrawn. The small selection of tea from other districts, however, sold well.

Second flush Darjeelings came on to the market in July and these met keen enquiry, with the most flavoury selling at

high prices and the more ordinary kinds also following an upward trend. Assam and Dooars teas also sold readily during this period, with a premium being paid for the brighter lines.

The bulk of Assam second flush teas were sold in August, and liquoring sorts sold particularly well. With declining quality Darjeelings followed a lower trend which continued somewhat irregularly throughout September. C.T.C. types sold well at irregular but generally lower rates while the plainer teas also followed the downward trend until the end the month when a harder tone prevailed.

Demand in October was good in all sales and prices for medium descriptions showed a dearer trend. In November, following the news of the river crews strike and the very low Calcutta stock position, the market became very strong and active and prices rose. Demand slackened during December and prices tended to become easier.

The average price of all teas (exclusive of excise duty) upto Sale No. 28 was Rs. 5.25 per kilogram compared with Rs. 4.80 per kilogram at the same date last year, with the Assam average showing the largest increase viz. Rs. 1.06 nP compared with last year's figure. The number of chests sold amounted to 1,422,498 as compared with 1,599,126 chests sold to the same date the previous year.

(b) *Dust Sales*.—Sale 4, which was held on 4th July 1962, was the first at which new season Dusts were offered. Orthodox and legg cut teas met with a restricted demand and sold below brokers' valuations, some lots, particularly in the latter category, having to be withdrawn. C.T.C. dusts came in for good support during the July sales and though the medium varieties with poor liquors were irregular and slightly easier, the brighter lines were sought after at dearer rates.

During August, bright liquoring Assam dusts and C.T.C. dusts received good support and this tendency continued during the months of September and October with the small powdery and brighter liquoring kinds selling well. The more fibrous

descriptions eased progressively but prices recovered in the last sale of October. November saw a strong general demand for all dusts and plain and medium orthodox descriptions sold readily at dearer rates. Legg cut teas were the strongest feature. Demand during December was less general and prices were generally lower.

By the end of the year 654,799 chests had been sold at an average price of Rs. 4.92 per kilogram as against 551,397 chests at an average price of Rs. 4.83 per kilogram to the same date in the previous season.

(c) *Quality*.—Owing to the exceptionally heavy first flush crops, early invoices from Darjeeling were generally below average in quality. There was a useful and prolonged second flush and, although quality was not on the whole outstanding, a few "fine" invoices were seen. Rain teas were satisfactory and fully average in appearance and cup quality. Some quite attractive tippy gardens were seen but by the end of September the lower grades sometimes became a little rough and loosely twisted. Quality improved from about the end of November and was maintained generally to the end of the year.

Assam teas have been of a satisfactory standard throughout the season to date. Stalk and fibre have been kept to the minimum, whilst tip has been useful and plentiful. Cup quality has been fully average and some useful invoices have been produced by the C.T.C. process of manufacture in particular.

Dooars and Terai teas have been satisfactory in appearance and about average in cup quality. Towards the end of the year a little more fibre became evident in Legg Cut varieties.

Unfavourable weather conditions in Cachar resulted in dullish grades with too much stalk and fibre, whilst liquors tended to be soft and plainish. There was a general improvement in the August offerings but more stalky teas were seen in September. C.T.C. teas from this district were quite

coloury in cup but the dry leaf sometimes contained too much fibre.

Shipment of unsold Teas to the London Auctions.—The Calcutta Tea Regulation Committee continued to keep a watch over shipments to the London Auctions during the year under review, although no ceiling has been announced by the Government of India for such exports.

European Common Market.— In last year's report it was recorded that the Association had submitted a memorandum to the Government of India and to the Tea Board stressing that, in the event that Britain joined the European Common Market, it was essential that the duty on tea should be fixed at as low a rate as possible in the common interests of both Britain and India. It is satisfactory to record that at the meeting of the member States of the European Economic Community held in Brussels in August 1962 "agreement was reached on a reduction to nil of the common external tariff of 18 per cent on tea".

Proposed Tea Auctions in Assam.— The report of the Committee set up by the Government of Assam last year to look into the question of establishing an auction market in Assam was finalised at a meeting of the Committee held on the 14th June 1962. The conclusion reached in this 37 page report was "that the establishment of a tea auction centre at Amingaon is quite a practicable suggestion".

As the Association could not agree with this conclusion and in order that there should be no doubts as to the Association's views on this matter, the Shillong Adviser submitted a minute of dissent, to the report, which read as follows :—

"The conclusion which has been reached on page 37 of the Report is one which I regret I cannot subscribe. By the term practicable I assume in this context that it means economically desirable, and not merely physically possible ; that the financial interests of both buyers and sellers will be promoted and that export earnings will not be adversely affected.

It is essential that no doubt should exist about the views which the Indian Tea Association entertains in regard to the proposal to establish Tea Auctions at Gauhati. Though there is no suggestion at present that support by the Producers would be on anything but a voluntary basis, there is a real danger that once Auctions are established Producers would be expected to give them some measure of support irrespective of the monetary consequences.

For tea producers the export markets are of paramount importance, from which is derived foreign exchange invaluable to the country's economy. For the following reasons it is apprehended that the sale of tea at Gauhati would be unattractive as far as the export trade is concerned. The export buyers desire to have in a single place the full run of Northern-Indian teas at their disposal. They also desire to have the teas which they purchase immediately available for shipment. It is evident that to sell tea in Gauhati and export it either from Calcutta or even Kandla would involve additional handling and warehousing and additional investment the cost of which would ultimately fall on the producer. In the export trade blended teas are of great importance, and the purchaser wishes to have readily available all the teas from which the blends are made. For buyers, brokers, and sellers the addition of a further place of sale would entail additional costs in establishments and in ancillary charges. Even if freight rates to Kandla could be equated with freight rates to Calcutta there are obvious limitations regarding shipment from Kandla. The capacity of the railways to move freight has not only to be radically increased, but the railways will have to organise the movement of teas across the Sub-Continent in an expeditious manner although it is recognised that transport facilities are greatly strained. Kandla also suffers at present from the disability that it is able to attract only a limited number of ships, whereas in Calcutta there are ships loading not merely for the Middle East and the U.K.

but for countries as far distant as the United States of America, and Australia on almost any day.

In respect of the internal market the producer has been able to send teas to the Auctions either for export or for internal buyers indiscriminately. The result is that for such teas there is competitive demand both from the foreign as well as the internal market. An Auction at Gauhati restricted to internal buying could only operate under very serious limitations. Even in respect of internal buying it would involve a duplication of establishments by sellers, brokers, and buyers, though in respect of the latter it is feared that the numbers might be inadequate to ensure effective competition.

The Indian Tea Association fully recognises the value of setting up new enterprises, but considers that it would be inopportune and inexpedient for brave experiments to be undertaken with sale practices which have been evolved over a century of experience."

The Association's views were also supported by the Consultative Committee of Tea Producers Associations which submitted a memorandum to the Finance Minister of the Government of Assam, a copy of which is reproduced in the appendices to this report.

The Committee's report has not yet been published but it is hoped that the Assam Government will not proceed with its proposals in this connection, which it is understood are not supported by the Central Government.

Consolidation of Taxes on Tea.— In last year's report it was recorded that the Association had submitted a memorandum to the Tea Board and to the Government of India suggesting that two steps towards increased production and larger exports should be the reduction or even abolition of the export duty and the simplification of internal taxes. To this end it was proposed that the various taxes—save that on package tea—should be amalgamated into one tax and collected in arrears.

The 1962 Budget of the Government of India made no concession to the demand for the consolidation of taxes but the export duty was reduced from 44 nP. to 25 nP. per kilogram and a refund of excise duty at a flat rate of 15 nP per kg. was sanctioned in respect of all teas exported, the refund being adjustable against the export duty payable.

Central Budget 1962.— The 1962 Budget proposals of the Government of India provided for a reduction in export duty on tea by 19 nP. per kilogram and for a refund of excise duty of 15 nP. per kilogram on all teas exported. To compensate for the losses on this account the following new rates of excise duty were fixed :—

Original			New		
Zone		Rate of Duty per kg	Zone		Rate of Duty per kg.
I	...	10 nP.	I	...	15 nP.
II	...	15 nP.	II	...	25 nP.
IIIA	(Darjeeling)	25 nP.	III	...	30 nP.
	(Others)	25 nP.	IV	...	35 nP.
IIIB	...	35 nP.	V	...	45 nP.

The proposals were designed to promote the export of tea from India and were therefore welcome although they involved an increase in outlay on excise duty at the garden end.

Other outstanding features of the Central Budget which are of interest to the Industry were (a) Income tax, in respect of India Companies, was increased from 45% to 50% ; the rate for sterling companies remained unchanged ; (b) an incentive for export promotion was provided in the shape of a rebate of one-tenth of the income tax and super tax attributed to income from exports out of India ; (c) a duty of 15% ad valorem was imposed on plywood used for general purposes and of 10% ad valorem upon plywood used for tea chests. By a subsequent notification the Government of India exempted plywood used

for tea chests from so much of the duty as was in excess of 30 nP. per square metre ; (d) the duty on aluminium foils was increased from Rs. 500/- per tonne to Rs. 600/- per tonne.

A representation was made to the Central Board of Revenue suggesting that arrangements should be made for a draw back of the excise duty paid on plywood and linings used in tea chests in which export teas were packed. The Association's proposals were found acceptable by Government who asked that a concrete scheme for refunds should be put forward. A scheme was accordingly prepared by the Deputy Chairman and the Government of India in a notification dated the 27th October 1962 called for comments on a draft amendment to the Customs and Central Excise Duties Export Drawback (General) Rules 1960 which provided for the drawback of duty at certain prescribed rates on all materials used in chests in which export teas are packed.

The proposals as framed by Government appeared to be somewhat complicated and the Association therefore suggested that draw back of excise duty should be allowed at certain fixed rates for each specific size of chest. For this purpose the Association determined the quantity of materials used in 100 tea chests of each category and calculated the rebate to which the chests would be entitled on the basis of the rates which Government had proposed for the individual components of the chests. The rebate per chest, on being rounded off, amounted to—

<i>Size of chest</i>			<i>Rebate</i>
19" x 19" x 24"	...	...	56 nP.
19" x 19" x 22"	...	...	53 nP.
18" x 18" x 20"	...	...	46 nP.
16" x 16" x 18"	...	...	37 nP.
16" x 16" x 20"	...	...	40 nP.
17" x 17" x 17"	...	...	38 nP.

Government's reactions to these proposals are awaited.

Board of Trade.— By a resolution dated the 11th May 1962, the Government of India constituted a Board of Trade under the Chairmanship of the Minister of International Trade,

Mr. Manubhai Shah, to examine all aspects of trade and commerce with a view to ensuring that both internal trade and exports were expanded quickly and on sound lines.

Three meetings of the Board were held during the year and the Association's representatives were asked to attend the second meeting held in Calcutta on the 6th July 1962. The meeting was attended by the Chairman and Vice-Chairman. Owing to the fact that the affairs of jute, cotton and tea were discussed simultaneously on the first day of the Board's meeting, there was only a limited opportunity of ventilating the tea industry's problems, but the following matters were raised :—

- (i) the tea industry's request to be supplied with fertilisers at the same prices as were charged to agriculturalists were repeated and the Minister undertook to look into the matter.
- (ii) the difficulties experienced in obtaining licences for the import of machinery spare parts were mentioned. The Chairman of the Tea Board, who also attended the meeting, confirmed that it had been decided that such spares required by the tea industry would be freely licensed.
- (iii) irrigation facilities were discussed and mention was been made of the Tea Board's scheme for providing financial assistance for irrigation projects.
- (iv) the additional taxes imposed by the Government of Assam were mentioned, but the industry's representatives received little sympathy, the Minister making it clear that the additional resources were necessary for the implementation of the Third Plan and that the State Governments were under pressure from the Centre to raise such resources by additional taxation.
- (v) the Minister for International Trade had stated that the Central Government had asked the States not to

exert undue pressure for the fulfilment of liabilities under the Plantation Labour Act including house construction, when the tea industry needed finance to achieve its production and export targets and, on it being represented that the State Governments were in fact continuing to press for a strict fulfilment of P.L.A. liabilities, the Chairman of the Tea Board promised to seek the issue of a fresh letter on the subject by the Central Government.

Study Group on Export Finance.— In view of the pressing need for increasing exports and for augmenting foreign exchange earnings, the Government of India set up a "Study Group on Export Finance" under the Chairmanship of Shri K. P. Mathrani, I.C.S., Chairman, Industrial Finance Corporation, to examine what institutional arrangements might be made to strengthen and supplement the existing organisations engaged in providing short, medium and long term finance to exporters.

The Association was asked to depute representatives to appear before the Study Group and to reply to a short questionnaire which had been issued to Trade Associations etc. The Association was represented at the Conference, which was held at the offices of the Tea Board on the 28th July, 1962, by the Vice-Chairman and the Calcutta Adviser. Copies of the Association's replies to the Study Group's questionnaire were submitted to the Group and the opportunity was taken to explain the Association's request that excise duty should be payable three months in arrears. The Study Group's questionnaire, together with the Association's replies, is reproduced in the appendices to this report.

Tea Board Schemes for the grant of financial assistance to tea gardens.— (a) *Fertiliser and Transport Subsidy Schemes.*—It had been recorded in the Association's report for 1960 that among the various measures introduced by the Tea Board for the grant of assistance to tea gardens in Cachar were the fertiliser and transport subsidy schemes. The fertiliser scheme,

which was only applicable to garden of less than 300 acres, was suspended from the 10th October 1961. The transport scheme, which was applicable to all gardens in Cachar and Tripura, was also suspended in respect of Cachar gardens from the 13th January 1962, on the grounds that insufficient use of the scheme had been made by gardens in that district.

(b) *Scheme of assistance for repairs and replacement to tea machinery.*—In November 1959 the Government of India had sanctioned a scheme for the grant of loans by the Tea Board to marginal gardens in Cachar for repairs, replacement and renovation of tea machinery as well as for the construction of the tea factory. In view of the difficulties experienced by gardens in furnishing the requisite security for the loans, the scheme was liberalised in June 1962. The salient features of the scheme, which is now also applicable to the marginal gardens in Tripura, Kangra and Mandi, are—

- (i) the scheme is applicable to marginal gardens up to 300 acres.
- (ii) the amount of loan to an individual garden shall not exceed a maximum limit of Rs. 70,000/-.
- (iii) the loan shall be covered by one surety or personal security of the approved brokers or approved agents.
- (iv) the loan will carry an interest of $4\frac{1}{2}\%$ per annum and will be repayable in 10 equal instalments commencing from the 2nd anniversary of the date on which the repairs and/or replacements of the machinery or construction of the factory as the case may be have been carried out.

(c) *Hire Purchase Scheme for the purchase of machinery and equipment.*—The scheme which had been introduced by the Tea Board in 1960, to enable tea companies to acquire machinery and equipment on a hire purchase basis was extended during the year up to the 31st March 1963. The scheme has also been extended to cover the purchase of irrigation equipment.

(d) *Tea Plantations Finance Scheme.*—At the end of January 1962, the Tea Board announced that the Government of India had decided to place a sum of Rs. 5 crores at the disposal of the Board for the grant of long term loans to tea estates for the purpose of replanting, replacement and/or extensions. Loans would be granted at the rate of Rs. 7400 per hectare in the case of plains gardens and Rs. 9900 in the case of hill estates payable in instalments. Interest would be charged at the rate of 7% per annum with a rebate of $\frac{1}{2}\%$ for prompt repayment. Repayment would have to be made in eight equal annual instalments after the expiry of seven years from payment of the first instalment.

(e) *Financial Assistance for Irrigation.*—When it was learnt that the Government of India decided in principle to grant loans for irrigation purposes, subject to a ceiling of Rs. 3 lakhs per estate, the Consultative Committee of Tea Producer Associations suggested that the loans might be granted for the following purposes :—

- (a) The cost of distributing pipelines and spraying and pressure equipment.
- (b) Tubewells and pumping sets, provided that these were for use only for irrigational purposes.
- (c) Catchment work—such as the construction of dams—which might be necessary to provide reservoirs of surface water.

In forwarding these suggestions the Consultative Committee put in a strong plea for outright financial subsidies to be granted to tea estates for the same purposes in addition to loans.

In due course the Tea Board replied to this representation stating that the irrigation equipment mentioned by the Committee in (a) and (b) above would be available to tea gardens under the Tea Machinery Hire Purchase scheme, which had been extended to cover these items. The Board regretted its inability to grant assistance in respect of catchment work or outright subsidies as had been suggested by the Committee.

Wage Board for the Tea Plantation Industry.— Previous reports have referred to the setting up of a Wage Board for the Tea Industry under the Chairmanship of Mr. L. P. Dave. The Board is composed of two independent members, two members from employers and two members from the workers. During the year under record, the representative for the employers for North India was Mr. B. C. Ghose, Indian Tea Planters' Association.

During the year the Board met on many occasions to discuss and hear the evidence of both workers and employers ; the proceedings of the Board are confidential and no attempt can be made to summarise them. In January the Board met in Calcutta, in March in Ootacamund, in April in Dibrugarh—where the Chairman of the Association addressed the Board—in May both in Darjeeling and in Calcutta, in June in Calcutta, in July in Ernakulam, in August in Calcutta, in September in Tripura, Silchar and Calcutta—when the Chairman of the Association again addressed the Board, in October in Bangalore and in December in Madras. During the sessions, lengthy evidence was heard from the workers and the employers ; and visits were paid to many tea gardens in the areas in which the sessions took place. The Chairman delivered his main speech to the Board in September and details were issued to members under cover of Circular No. 131 dated the 8th October. On the whole the case was fairly well received and the cross-examination which followed was generally satisfactory. In particular, it was possible to disprove certain of the conclusions which labour had attempted to establish on the basis of statistical material which they had presented. At the Board's request, the Association has now under preparation certain further statistics—drawn up largely on the same basis as those presented by the unions—which will be of additional assistance in contesting the validity of the labour contentions. Although the Chairman has now delivered his main speech, the presentation of the employers' case is by no means complete and hearings will continue in March 1963.

Last year's report referred to the interim wage increase for South India and, as was feared at the time, there was subsequently

a demand for a similar increase in North India. The matter was considered by the Board towards the end of 1961 and in January 1962 majority recommendations—Mr. J. B. Soutar and Mr. B. C. Ghose dissenting—were made to Government that there should be an interim increase in wages in all tea areas in North East India, save in Cachar and Tripura. These recommendations had retrospective effect from the 1st December 1961. The recommendations did not adduce any reason to justify the suggested increases and the industry immediately approached the Government of India pointing out that the recommendations made by the majority of the Board had no justification whatsoever, and that the majority had not even attempted to justify them. The increases would, if accepted, impose a considerable additional burden upon the tea industry in North India and it was hoped, therefore, that Government would take no action on them. These representations culminated in a meeting with the Labour Minister, Government of India, on the 25th April, the outcome of which was that the question of an interim wage increase was referred back to the Wage Board. The Association immediately considered their course of action in the light of the new developments and was helped by Sir Percival Griffiths, who very kindly flew to Calcutta not only to assist in the deliberations, but also to establish close liaison between the London and the Calcutta Committees. Various possibilities and alternatives were discussed and considered which unfortunately took place under the threat of a strike. Ultimately, after negotiations between the employers and the Union, the Board, at a meeting on the 27th June, was able to reach agreement and unanimous recommendations were forwarded to the Government of India covering wage increases in Assam and West Bengal. On the 7th July the Government passed a resolution accepting the Board's recommendations, which were as follows :

“The Board had made a recommendation for an interim Wage increase for Tea Plantation workers and staff in Assam and West Bengal in January 1962. That recommendation was by a majority, the employer members dissenting. Following the announcement of the said

majority recommendation, there was apprehension of unrest in the industry. The Board sought the co-operation of the parties concerned to help their representatives to reach an unanimous conclusion on the question of interim increase and to maintain peace in the industry.

The Board is happy to report that as a result of its continued efforts and with the co-operation of the parties, it has been able to make its recommendation unanimous on the question of interim increase. In terms of such unanimous recommendation, the interim increase recommended by the Board in January 1962 for the various areas and categories in West Bengal and Assam shall remain the same except that for the Darjeeling Hill area the interim increase shall be less by 1 nP. (one Naya Paise) per day than that recommended in clause (b) of para 1 of the January 1962 recommendation. Also, instead of the interim increase taking effect from 1.12.61 as recommended therein, such interim increase shall take effect from today i.e. 27.6.62. This unanimous recommendation of the Board thus modifies its earlier majority recommendation and the modified recommendations of the Board are set out hereunder :—

1. (a) In regard to daily rated labour employed in Tea Plantations in the States of Assam and West Bengal, except in Darjeeling Hills and Cachar District, the following will be the interim increase in the rates of daily wages :—

Men workers	...	0.08 nP.
Women workers	...	0.07 nP.
Employable child workers	...	0.04 nP.

- (b) In regard to daily rated labour employed in Tea Plantations in Darjeeling Hills, the following will be the interim increase in the rates of daily wages :—

Men workers	...	0.09 nP.
Women workers	...	0.07 nP.
Employable child	...	0.04 nP.

- (c) In regard to daily rated labour in Tea Plantations in Cachar District, this Board is not making any interim recommendation in view of the increase they have got in June, 1961.
2. In regard to monthly rated workers employed in Tea Plantations of both Assam (including Cachar) and West Bengal States, an increase of Rs. 10/- per month each in respect of clerical, educational, medical and supervisory staff and artisans and Rs. 6/- per month in respect of others will be given.
 3. The interim increase recommended herein will take effect from 27th June, 1962.
 4. The amount of interim increase shall be shown as a separate item, till the final recommendations of the Wage Board are made and thereafter such final recommendations will prevail.

The Board agrees with the parties that the interim increase granted hereby is without prejudice to the rights and contentions of either party with respect to the final recommendations of the Board."

The Association accepted the recommendations and asked members to implement them with effect from the 27th June 1962. The amount of the interim increase was to be shown as a separate item until the final recommendations of the Wage Board were known. Provident Fund contributions were payable on the increase.

Bonus Commission.— In March 1960, it was decided to appoint a Bonus Commission : its members and terms of reference were notified by Government in December 1961.

During 1962, the Commission prepared a draft questionnaire which was circulated to the organisations of employers and employees as also to State Governments for comment. As a result of suggestions from Employer Associations, it was

decided that the questionnaire should be split in two parts—one dealing with the general principles governing bonus payment, and the other concerning the statistical information to be submitted by selected units and/or undertakings in different industries. It was also suggested that the section dealing with general principles of bonus payment should be forwarded to employers' organisations.

In April the questionnaire was forwarded to organisations of employers and employees, and selected units of various industries—including the tea industry—were also asked to submit the necessary statistical and other information. The Consultative Committee of Tea Producer Associations drew up a reply to Section I of the questionnaire and, in due course it was submitted to the Bonus Commission—the Indian Tea Association (London) was kept in close touch at all drafting stages. Individual tea companies' replies to Part II of the questionnaire were submitted to the Association for onward transmission to the Commission. Some of the main points brought out in the industry's reply were :

- (i) Bonus is a payment made in addition to normal wages or salary to employees for their direct contribution to the prosperity of the undertaking, such payment depending upon the different circumstances prevailing in different industries.
- (ii) Bonus should only be paid when there is a profit and when this profit is sufficient to provide a fair return to shareholders and the requirements for depreciation, rehabilitation and development of the company's assets.
- (iii) Bonus should be paid company-wise, provisions for separate treatment being made where the company operates in different geographical areas. In cases other than Companies, bonus should be paid in respect of estates in the same ownership.

- (iv) On the basis of our current Bonus Agreement bonus should be paid as an agreed percentage of those profits normally computed for tax purposes, should be related to attendance and, as closely as possible, to productivity. In the matter of attendance, it is thought desirable that there should be a minimum number of days worked to qualify for bonus and that the individual amounts of bonus thereafter should be calculated in proportion to the number of days worked, less the stated minimum.

The Bonus Commission is now interviewing various industries, and the Association and the Consultative Committee of Tea Producer Associations appeared before the Commission in January, 1963.

Standing Labour Committee for Tea Plantations in Assam.—

Two sessions of the Standing Labour Committee for tea plantations in Assam were held in Shillong during the year : one on the 22nd and 23rd May at which the Association was represented by Sir Richard Duckworth, Bt., Mr. J. Monro, Mr. A. B. Anderson, Mr. T. J. Mathias, Mr. S. B. Datta, Mr. K. N. Sircar and Mr. J. S. Hardman ; and the other on the 15th June 1962 at which Sir Richard Duckworth, Bt., Mr. J. Monro, Mr. J. E. Atkins and Mr. J. S. Hardman represented the Association.

The principal subjects considered at the meeting were as follows :—

- (a) *Firewood for labour.*—It was agreed that tea gardens would make available 16 cu. ft. of firewood per household per month or an equivalent quantity of an alternative fuel. It was also agreed that a report of the Agreement would be prepared by the Labour Commissioner, which, after approval by the parties concerned, would be submitted to the Wage Board as a final settlement of the firewood problem.
- (b) *Khet Assessment.*—The Association's representatives continued to voice their strong objections to Govern-

ment's suggestion that khet assessment should be abolished ; but the Labour Minister was most insistent that Government's directions in this connection should be given effect to by tea gardens.

- (c) *Maternity Benefits.*—The Association's representatives suggested at the meeting that the Central Maternity Benefits Act was defective in two respects, firstly, that the maternity benefit was to be calculated on the basis of 3 months' earnings and secondly, there was no provision for ante-natal attendance or the acceptance of approved medical facilities. After discussion it was agreed that the Assam Government should introduce legislation to amend the Central Act to provide for the payment of maternity benefits at the minimum wage rate. Agreement could not be reached on the proposal that women workers should not qualify for maternity benefits unless they accepted pre-natal treatment. It was agreed, however, that the amendments to the Assam Maternity Benefits Act which had been proposed at the previous meeting should be incorporated in the new legislation.

- (d) *Parliamentary Committee on the Implementation of Plantations Labour Act.*—The Association's representatives had refused to discuss this subject at the meeting held in May on the grounds that they had not had an opportunity of studying the report. Discussions accordingly took place at the meeting in June, when the Association's representative attacked the report on the grounds that the Committee's investigations were statistically defective.

These subjects are dealt with in greater detail elsewhere in this report.

Assam Parliamentary Committee on the implementation of the Plantations Labour Act.— In the Association's report for 1960, it was mentioned that the Government of Assam had, in

pursuance of a resolution passed by the Assam Legislative Assembly, set up a committee to assess the implementation of the Plantations Labour Act in Assam.

The report of this Committee became available in March 1962, and an endeavour was made to discuss it at the 19th Session of the Assam Standing Labour Committee held on the 22nd May 1962. The Association's representatives declined to do so however, on the ground that they had not been given an opportunity of studying it, having only been shown a copy confidentially. It was therefore discussed at the 20th Session of the Standing Labour Committee held on the 15th June 1962, at which the Association was represented by Sir Richard Duckworth, Bt., Mr. J. Monro, Mr. J. E. Atkins, and Mr. J. S. Hardman.

Prior to this meeting, the Shillong Adviser had carried out a detailed study of the Committee's report and prepared a memorandum, which formed the basis of the views expressed by the Association's representatives at the meeting. Briefly, the representatives criticised the report on the ground of a faulty selection of estates visited by the Committee, a defective statistical analysis, a failure to recognise the difficulties—and particularly the financial difficulties—of management, and a failure to give sufficient credit for what had already been achieved. It is thought that they succeeded to some extent in drawing attention to the defects of the report ; but it is clear that government and labour are determined to achieve a substantial improvement in the housing position, and that there will be further pressure for other less costly amenities such as creches, canteens, and water supply.

A copy of the official proceedings of this meeting has been sent to the Chairman, Tea Board, as an indication of the pressure which is being brought to bear on the industry by the Assam Government in regard to housing and other welfare measures, and he has been asked to intervene on the industry's behalf. It is satisfactory to record that assurances have been received from both the Chairman, Tea Board, and the Com-

merce Ministry, Government of India, that the State Governments have been requested not to press for the implementation of the Plantations Labour Act on the grounds that continued unproductive expenditure of this nature is against the interests of India's export drive and increased production.

Workers' Participation in Management.— The Joint Council of Management, which was set up in 1958 on the Panitola Tea Estate, continued to hold meetings during the year.

As in the past, the discussions at these meetings were concerned very largely with welfare measures, with the upkeep of housing, roads etc., and with arrangements which would be to the convenience and comfort of the workers. The meetings also afforded the management some opportunity of explaining to the workers representatives the economic circumstances of the industry and the cultivation and development programmes of their estate.

In West Bengal, the Assistant Labour Commissioner, Jalpaiguri, addressed several gardens in the Dooars urging them to constitute Joint Councils of Management. In view of the request which had been received from the Employers' Federation of India for co-operation in this matter, the Association agreed that efforts should be made to select two gardens in the Dooars on which joint councils could be established. At the time of writing one garden, the Nya Sylee Tea Estate, had indicated its willingness to establish a joint council of management.

Code of discipline in Industry.— During the year members of the Association continued to report cases where breaches of the Code of Discipline had occurred, and these reports were passed on to the respective Evaluation and Implementation Committees of the State Governments concerned.

In last year's report it was mentioned that in consultation with the Assam Chah Mazdoor Sangha, the Assam Branch had drawn up a grievance procedure for the settlement of

disputes. During the year the Association was advised of a case in which the Union had failed to comply with the provisions of the procedure and had made complaints to the Labour Inspector direct regarding alleged failure on the part of the garden management to implement the Plantations Labour Act in respect of housing. When this matter was taken up, the Labour Commissioner took the view that the grievance procedure had no application to cases involving the non-observance or non-implementation of any provision of a labour enactment and that it was within the rights of the labour to report the matter to the Labour Inspectorate direct. The Association was somewhat concerned over this ruling and a reference was made to the Secretary, Labour Ministry of the Government of India, who expressed the following view on the matter :—

“A grievance procedure is primarily meant for the redress of grievances of individual workers who are expected to take them up with management in the first instance. Complaints regarding non-observance of labour enactments, like non-construction of a creche, are often of a general nature and workers cannot be compelled to utilise the grievance procedure for the redress of such complaints. If, however, both the parties agree to discuss and settle through the grievance procedure even general complaints regarding non-observance of the provisions of law, it would be a good thing and they may do so. There can obviously be no rigidity in this respect. But what is important is that the grievance procedure should not be saddled with all types of general complaints lest its main purpose—speedy settlement of day-to-day grievances of individual workers—is defeated.”

Voluntary Arbitration.—The Code for Discipline in Industry recommends that employers and employees should have recourse as far as possible to voluntary arbitration for the settlement of disputes. At the 20th Session of the Indian Labour Conference it was decided that the Central and State Governments should,

in consultation with Employers' and Workers' Organisations, set up panels of arbitrators in order to encourage arbitration particularly in cases where questions of creating new rights, which might have wide repercussions, were not involved. The Association suggested to the Eastern Regional Committee of the Employers Federation of India that Mr. P. J. Parr should be nominated as a member of the West Bengal State Panel of Arbitrators.

Proposals for the reference of disputes to voluntary arbitration were also given prominence in the industrial truce resolution, which was adopted at a meeting of the employers and workers held on the 3rd November 1962 under the Chairmanship of the Union Labour Minister.

In Assam, the State Government decided to set up arbitration Boards at district level consisting of the Labour Officer as Chairman and a representative each of employers and workers as members. The purpose was to ensure the speedy disposal of industrial disputes during the period of the national emergency. It was made clear to Government that the Association did not support the idea of compulsory arbitration and preferred that disputes should be settled by bipartite negotiations with Trade Unions concerned. The Association had no objection to arbitration on a purely voluntary basis, provided that the arbitrator was acceptable to both sides, and it was not used generally to consider matters of principle, wage scales and terms and conditions of service where the interests of other members might be involved in the decision.

The North-East India Tea Plantations Bonus Agreement, 1961.
—Last year's report gave details of the terms of the North East India Tea Plantations Bonus Agreement 1961 which had been negotiated with the Unions on behalf of the industry.

A meeting of the Bonus Sub-Committee, at which the Association was represented by the Vice-Chairman and Mr. T. J. Mathias, was held on the 20th July to consider a

number of matters which had arisen out of the Agreement, the most important of which were :—

- (a) *Supervisory Board under Clause (b) of the Agreement.*—It was agreed that the Supervisory Board should consist of the following :

Mr. G. S. Ahluwalia, *as Chairman.*

[The Chairman, I.T.A. } *as the employers'*
Mr. H. P. Barua, } *representatives*

Mr. M. N. Sarmah, } *as the labour representatives.*
Mr. Monoranjan Roy }

- (b) *Applications for permission to make withdrawals from Bonus Fund.*—A standard form for the submission of applications for permission to make withdrawals from the Bonus Fund was approved and it was agreed that copies of such applications should be sent to all the members of the Supervisory Board to enable the cases to be considered expeditiously.
- (c) *Quarterly returns under Clause 6(v).*—A standard form of quarterly return for submission to the Bonus Board by managers of Bonus Funds was approved.
- (d) *Income Tax Assessments.*—Several tea companies had been asked by the Unions to produce their income tax assessment orders in support of their calculations of profit under the Bonus Agreement.

The Association did not consider it desirable that this document should be made available to the Unions as it was confidential and contained a great deal of information which would be quite irrelevant to the question of labour bonus computations. It was suggested that where a document other than the printed accounts was required, the Unions should be supplied with a statement certified by the Company's auditors showing how the profit for bonus purposes was computed. The labour representatives were unable

to accept the Association's proposals and no agreement on this point could be reached.

- (e) *Tax position of Payments to Bonus Fund.*—The Chairman reported that he had made a reference to the Central Board of Revenue on the question of the admissibility of payments to bonus funds as a revenue charge ; but no final reply had been received.

A large number of applications for permission to make withdrawals from Bonus Funds was submitted by tea companies and agency houses and, as the Supervisory Board had been unable to deal with them before the payment of the 1960 bonus became due, the Association found it necessary to advise members to draw upon their respective funds in anticipation of the Board's sanction.

The Assam Cha Mazdoor Sangha continued to object to the inclusion of development rebate as a revenue charge and insisted that only "normal depreciation" should be deducted in arriving at profits for bonus purposes. As there was no specific reference in the Agreement to "normal depreciation", members were advised to inform the Union that the suggestion that depreciation is limited in any way to that which is normal could not be accepted. The Union have referred the matter to the Bonus Sub-Committee for clarification.

A meeting of the Board of Trustees of the West Bengal Plantation Workers' Bonus Fund was held in October when the position of the Fund was reviewed. The applications received from companies which had suffered losses in 1959 or made insufficient profits were examined and it was agreed that subject to the approval of the Supervisory Board, the payments applied for should be made. A large number of tea estates had not submitted their returns to the Fund and it was decided that further reminders should be issued to them. It was also agreed that the monies so far collected should be placed on fixed deposit at three days' call and that the accounts should be audited by Lovelock and Lewes.

Housing—(a) *Working Group on Plantation Labour Housing*.—In last year's report it was recorded that at the meeting of the Industrial Committee on Plantations held on the 21st and 22nd September 1961, it had been decided that a Working Group would be set up to go into the whole question of finance and to devise ways and means to ensure the speediest possible completion of the housing programme.

The composition of the Working Group was announced in August by the Ministry of Labour and Employment as follows :—

- (i) Shri N. N. Chatterjee, Joint Secretary, Ministry of Labour and Employment, (Convenor).
- (ii) Shri K. N. Valenkar, Deputy Housing Adviser, Ministry of Works, Housing and Supply.
- (iii) Shri H. K. Kochar, Deputy Secretary, Ministry of Commerce and Industry.
- (iv) Shri A. S. Bam, Chairman, Tea Board, Calcutta

Or, alternatively,

Mr. K. M. Kidwai, Director of Tea Development, Tea Board, Calcutta.

- (v) Shri Gurdev Saran, Under Secretary, Ministry of Finance. (Works).
- (vi) Shri S. S. B. Raghavan, Assistant Chief (Housing), Planning Commission.

The terms of reference of the Working Group were specified as follows :—

- (a) to assess the total cost of provision of houses of approved standards for plantation workers and their families not yet provided with such houses and the resources available to employers for this purpose including loan facilities under the Plantation Labour Housing Scheme and those provided by banks ;

- (b) to suggest how the existing loan facilities may be improved, whether further facilities for loans should be provided, and whether loans can be had from the Life Insurance Corporation for construction of worker's houses under the Plantations Labour Act ;
- (c) to recommend whether, in addition to loans, assistance by way of subsidies should be provided by Government and if so, how and to what extent such assistance should be given ;
- (d) to consider whether the entire cost of construction of workers' houses could be charged to the revenue account so that 100% development rebate would be allowable to employers for purposes of income tax without affecting the profits for disbursement of bonus to plantation workers ;
- (e) to examine whether the annual rate of construction of workers' houses prescribed in the Plantations Labour Rules should be modified ; and
- (f) to make any further suggestions for completion of the housing programme for plantation workers within a reasonable time.

At the first meeting of the Working Group held in September the Chairman of the Tea Board drew attention to the pressure—extending even to prosecutions—which was being exerted by the State Governments on tea gardens in connection with the fulfilment of the 8% targets under the Plantation Labour Rules. He urged that the State Governments should be asked to “soft-pedal” their actions and to await the findings of the Working Group. The officials of the Labour Ministry agreed to address the State Governments accordingly.

Representatives of the Association met the Working Group at Calcutta on the 17th September, when it was emphasised that, in order to discharge its housing obligations, the tea industry needed financial assistance particularly in the form of the

25% subsidy granted to other industries, and should be allowed to charge full 100% depreciation on housing construction costs during the year in which they were incurred.

A further meeting with the Working Group took place in Jorhat on the 22nd October, when the Association was represented by the Deputy Chairman, the Chairman of the Surma Valley Branch and the Chairman and Secretary of Zone 2 of the Assam Branch, Indian Tea Association.

At this meeting, the Association's representatives once again stressed that the industry could meet its obligations in the matter of housing, only if it were granted subsidies and were allowed 100% depreciation on the cost of houses constructed. Attention was also drawn to the difficulties arising from the constant amendment of housing specifications, which increased costs and made the achievement of the targets all the more difficult. It was pointed out that many tea gardens relied on bank loans for their working capital and that the banks only lent money when the title deeds of the whole estate had been hypothecated. It was not therefore possible for the gardens to mortgage building sites for the purposes of Government loans. To overcome this difficulty it was suggested that where an estate's title deeds had been hypothecated to a Bank for a crop loan, the estate might ask the bank concerned for a deed of release in respect of particular plots required for building purposes and for the plots thus released to be mortgaged to the State Government as security for housing loans.

The Working Group has collected information regarding the number of houses to be constructed and estimates of costs and it is expected that a questionnaire will be issued shortly to obtain information regarding the resources available to gardens for the construction of houses.

(b) *Assam Housing Advisory Board*.—The Assam Housing Advisory Board was reconstituted by the Assam Government in a notification dated the 28th August 1962. The Association was represented on the new Board by Mr. A. T. A. McIntosh.

Smith, nominated by the Assam Branch and the Chairman of the Surma Valley Branch.

A meeting of the Board was held on the 26th October and was attended on behalf of the Association by Mr. J. Monro, Mr. J. E. Atkins, and Mr. J. S. Hardman. The agenda for the meeting consisted of the following two subjects :—

- (1) Proposal for amendment of the standards and specifications of labour houses required to be constructed under the Plantations Labour Act, 1961.
- (2) Difficulties in enforcing construction of the prescribed number of houses in accordance with the standards and specifications laid down.

At the meeting the Association's representatives suggested that it was undesirable to consider amendments to the standards and specifications of labour houses when the whole matter of labour housing was being examined by the Working Group set up by the Government of India. It was pointed out that the improved specifications suggested would involve the construction of a larger house which would naturally be more costly. If tea gardens were expected to provide such houses, it would be necessary for costs to be worked out and for the targets to be fixed in the light of such costs. The labour representatives on the other hand continued to press their demands for larger houses, which it was estimated might cost anything up to Rs. 10,000 to construct. In the circumstances no agreement could be reached.

Complaints were also made at the meeting that the standard of construction of houses was inferior because the work was left to contractors. Because the bipartite garden and circle committees, which had previously been agreed upon, did not appear to have functioned adequately, it was suggested by the labour representatives that the Branch should engage qualified engineers on a circle basis to advise on and to supervise labour housing construction. It was decided, however, that further efforts should be made to organise these committees more effectively.

(c) *Industrial Housing Scheme.*—The Association continued to press for the extension of the subsidised industrial housing scheme to tea plantations, and at the meetings with the Working Group on Housing, it was explained that, if tea gardens were to be expected to meet their obligations under the Plantations Labour Act in the matter of housing, it was essential that they should be granted subsidies under the scheme.

In view of the fact that tea gardens were unable to offer as security the first mortgage of their properties against loans sanctioned to them under the Plantation Labour Housing Scheme, the West Bengal Government relaxed the provisions of the scheme to permit gardens to offer as security, an annual guarantee from their bankers for an amount representing only one year's repayment of principal and interest. To safeguard Government's interests, however, an additional $\frac{1}{2}\%$ interest will be payable to tea gardens on such loans for credit to a "Pool Guarantee Fund".

Supply of firewood for Labour.—(1) *Assam.*—As the Special Sub-Committee, which had been appointed in Assam to determine the quantum of firewood needed per person or per household, had been unable to reach any agreement, this problem was discussed by the Assam Standing Labour Committee at a meeting held on the 22nd and 23rd May. After prolonged discussion, it was agreed that managements would make available 16 cu. ft. of firewood per household per month, or an equivalent quantity of an alternative fuel. It was also agreed that the Labour Commissioner would draft a report of the agreement, which after approval by the three parties to the agreement, would be forwarded to the Chairman of the Wage Board as representing a final settlement of the problem on firewood. It was also agreed that a Sub-Committee should "examine the appropriate amount of alternative fuels which would be provided in the event of the supply of firewood not being practicable". Mr. D. K. Dutta was nominated to serve as the Association's representative on this Sub-Committee.

Since the meeting of the Standing Labour Committee, however, differences of opinion have arisen between the Union's

representatives and the Association on the question of whether the agreed quantity of firewood has to be "made available" or should be "supplied" to the worker. The Union insists that the garden's obligation is to "supply" firewood, while the Association's stand is that managements are only required to make firewood "available". Under the circumstances it is possible that this matter will have to be left for decision by the Wage Board.

(2) *West Bengal*.—Firewood continued to be in short supply on tea gardens in North Bengal, and the possibility of securing alternative fuels was investigated during the year.

An application was made to the Coal Controller for an allotment of soft coke but, owing to a shortage of wagons, the Association was offered supplies from the Magma area, which would have to be collected by road. In view of the high cost, this offer could not be accepted.

Experiments were carried out during the year to determine the suitability of kerosene oil as an alternative fuel, but it appears that the cost of the oil is likely to make it an uneconomical substitute for firewood, except in the case of the clerical and medical staff.

The solution of the problem would appear to be the establishment of fuel bars by the estates themselves but, unfortunately, no assurance has yet been received from the West Bengal Government that private forests will not be taken over under the Private Forests Act.

The rates of royalty on firewood for season 1962/63 were fixed by the Forest Department as follows :—

Length of Lead	Rate Per 100 cu. ft. stacked measurement		
	Hard Rs.	Mixed Rs.	Soft Rs.
up to 3 miles	15	8	5
Over 3 to 6 miles	12	6	4
Over 6 to 10 miles	9	5	3
Over 10 miles	5	3	2

Medical Services on tea estates.— Under the Plantations Labour Rules, tea gardens are required to submit periodical returns showing the progress being made by them in the matter of providing medical facilities to their staff and labour. The standards reached by members at the 31st December, 1961 are recorded for information.

	Members' Standards as at 31-12-61	Plantation Labour Rules' Standards
	Per Thousand Workers	
Hospital Beds	... 31.73	15.00
Doctors	... 1.24	0.57
Midwives	... 1.36	0.57
Nurses	... 1.78	1.43
Compounders	... 1.30	0.57
Anti-Malaria/ Health Assistants	... 0.73	0.48

Labour Relations.— In 1962, 33 strikes were reported from member gardens as compared with 48 in 1961. In 24 of these instances the stoppage of work lasted not more than one day, while in two cases only the strikes continued for more than five days. The number of man-days lost, however, increased from 56,072 in 1961 to 103,161. The loss of production was estimated at 5,908 maunds of tea against a loss of 5,099 maunds of tea in 1961. A brief analysis of the statistics in respect of each district is given in the following paragraphs, in which for the purposes of comparison the corresponding figures for 1961 are shown in brackets.

In the Assam Valley 11(9) strikes occurred involving 9,734 (4,772) workers ; 18,417 (7,361) man-days were lost with a loss in wages of Rs. 29,699 (Rs. 28,560). Production losses amounted to 2,278 (1,128) maunds.

In Cachar there were 2 (5) strikes. The number of workers involved totalled 645 (1,518) and the man-days lost were

335 (21,113). The loss in wages amounted to Rs. 505 (Rs. 24,207). Production losses amounted to 35 (2,041) maunds.

In the Dooars there were 11(22) strikes involving 21,784 (12,513) workers. The number of man-days lost were 21,843 (18,140) and the wages lost amounted to Rs. 46,657 (Rs. 29,571). The loss in production amounted to 1,970 (1,392) maunds.

In Darjeeling there were 7(10) strikes and 1 lockout. The number of workers involved totalled 2,539 (2,795). The number of man-days lost amounted to 61,226 (7,362) while the loss in wages was estimated at Rs. 1,00,674 (Rs. 10,682). The loss in production amounted to 1,432 (438) maunds.

In the Terai 1(1) strike took place in 1962 involving 371 (524) workers. The number of man-days lost were 1,340 (2,096) and the wages lost amounted to Rs. 2,435 (Rs. 3,616). The loss in production amounted to 193 (100) maunds.

The Maternity Benefit Act, 1961.— In last year's report it was recorded that the Maternity Benefit Act, 1961 had been passed by Parliament and that it would come into force on dates to be notified by the State Governments.

The Government of West Bengal issued a notification dated the 16th August 1962 appointing the 1st day of January 1963 as the date on which the Act would come into force in West Bengal. Guidance circulars were issued to members concerned and copies of these circulars will be found in the appendix to this report.

One of the main difficulties of this legislation is that it does not, unlike the previous legislation, make attendance at a hospital or a clinic a condition precedent for claiming maternity benefit. Nevertheless, members were asked to do everything possible to impress upon workers the advantages of using these facilities and, if necessary, to seek the Union's assistance in this connection.

The Assam Government has not yet brought the Act into force, but at a meeting of the Standing Labour Committee

held on the 22nd and 23rd May 1962, it was decided that the State Government would seek the Central Government's approval to introduce legislation to amend the Act in its application to Assam to provide (i) for the payment of maternity benefits on the basis of the minimum wage for a period of four weeks before and eight weeks after the confinement, and (ii) for the qualifying period to be fixed at 150 days in the preceding twelve months. A proposal by the employer's representatives to include a provision for making attendance at the hospital or clinic a condition for the receipt of maternity benefits, was strongly opposed by the labour and Government representatives.

Provident Fund (1) West Bengal.—(a) *Employees Provident Fund (Amendment) Act 1962.*—The Employees Provident Fund (Amendment) Act 1962 which was published in the Gazette of India Extraordinary dated the 6th December, and which came into force on the 1st January 1963, empowers the Central Government to enhance the rate of contribution to the Fund from 6½% to 8% after such enquiry as it deems fit, in industries which may be specified by notification in the official gazette.

In pursuance of this amendment the rate of contribution has been increased in respect of factories engaged in the manufacture of—

- (a) cigarettes.
- (b) electrical, mechanical or general engineering products.
- (c) iron and steel.
- (d) paper, other than hand made paper.

(b) *The Rules.*—Several amendments were made to the rules during the year, the most significant of which related to the increase from Rs. 500 to Rs. 1,000 per month in the wage limit for eligibility for membership of the Fund. The other amendments mainly concerned the grant of advances to

members for various purposes and the conditions governing such advances.

(c) *Contribution in respect of leaf pice earnings in Darjeeling.*—The judgement issued by the Supreme Court in September 1962 to the effect that production bonus does not constitute a part of basic wages for purposes of provident fund was of some interest to members in Darjeeling, where certain gardens have continued to hold the view that leaf pice earnings are a form of production bonus and not, therefore, liable to provident fund deductions.

The Association does not support this view, however, and members in Darjeeling have been advised to make no change in their present practice whereby provident fund contributions are paid in respect of leaf pice earnings.

(d) *Simplification of procedure.*—In last year's report it was mentioned that the Provident Fund Commissioner had advised the Association that he had put forward to the Central Government certain proposals for the simplification of the procedure under the Employees Provident Fund Scheme which would enable the accounts of retired and deceased workers to be settled expeditiously.

Early in the year the Union Ministry of Labour and Employment circulated to Employers' Associations a draft scheme for the decentralisation of accounting work from the Regional Offices of the Employees Provident Fund Organisation. Briefly, the proposal was that the following work which is at present done by the Regional Offices should be carried out by the non-exempted establishments, viz,

- (a) maintain all accounts.
- (b) prepare and maintain ledger cards of individual subscribers.
- (c) prepare annual statement of accounts and furnish them to subscribers.

- (d) sanction withdrawals and make payments towards insurance premia, advances and loans, and make recoveries.
- (e) settle claims and make payments to outgoing members or their nominees/heirs.

As the Association had all along supported the principle that the employer or manager of the establishment should be empowered to make refunds of deposits to retiring members and to the heirs/nominees of deceased members, and as it seemed that Government's scheme would secure this objective, the Association gave its general support to the proposal that members' accounts should be maintained by the manager in addition to those in the Regional Office. Certain suggestions were however put forward for the simplification of the Government scheme.

It is unfortunate that the Government scheme did not find the support of the other employer interests ; and as a result Government has decided to drop the proposal.

(2) ~~Assam~~.— The Association continued to be represented on the Board of Trustees of the Assam Tea Plantations Provident Fund by the Shillong Adviser, and by Mr. G. A. Duncan representing the Assam Branch.

During the year the Trustees of the Fund considered a scheme under which it was proposed that insurance cover should be provided through the provident fund for all members of the Fund to the extent of Rs. 250 in respect of labour, and Rs. 1000 in respect of clerical staff. The Association was not enthusiastic about the scheme but had no definite objections to urge.

At a meeting of the Board of Trustees held on the 31st October 1962 it was decided that interest for the year 1961/62 should be paid at the rate of three per cent on members' balances as at 1st April, 1961.

Following the Chinese invasion of India, the working Committee of the Assam Cha Mazdoor Sangha issued a recommendation that each member of the Union should invest 25% of his bonus in National Defence Bonds. In pursuance of this recommendation the Board of Trustees issued instructions to garden managers to deduct 25% of the bonus payable to the workers for the year 1960 and to deposit the amount with the Provident Fund for investment in National Defence Bonds.

Labour Welfare : Assam.— (1) *Rowriah Welfare Training Centre.*—Three training courses were held at the Rowriah Welfare Training Centre during 1962, and Agency Houses were asked to provide candidates from the gardens under their control.

The capacity of the courses was increased and the Association's quota of candidates was increased from 14 to 25. It was announced, however, that tea gardens would no longer have to pay the messing charges of Rs. 20/- per month on account of each of their candidates because this expenditure would now be borne by the Centre, which had been sanctioned a grant for this purpose by the Assam Government.

In a notification dated the 19th November 1962, the Government of Assam announced the constitution of a Tripartite Assessment Committee, which included the Shillong Adviser as the employers' representative, to review all aspects of the training imparted at the Rowriah Labour Welfare Centre, standardise its curricula and assess its utility.

(2) *Mazengah Training Centre for women.*—Two courses were held at the Mazengah Training Centre by the Kasturba Gandhi National Memorial Trust during 1962 and Agency Houses were asked to provide candidates from gardens under their control.

The Assam Tea Plantations Employees' Welfare Fund Act, 1959.—Doubts continued to persist regarding the term "unpaid accumulations" and the Association obtained counsel's opinion

which confirmed that any sums which came within the definition of "unpaid accumulations" would only have to be paid over to the Welfare Fund if they were contained in a distinct suspense account on the date on which the Act came into force, viz, 23rd June, 1960.

It had been suggested that, as the Act defined "unpaid accumulations" as "payments due to the employee" and as "employee" was defined as "any person who is employed in or in connection with a plantation", it might be possible to contend that monies due in respect of persons no longer in employment were not "unpaid accumulations". As Counsel's advice did not entirely support this view, the Association in consultation with the Assam Branch agreed that it would not be expedient to make a stand on this issue. Members were accordingly advised to pay over to the Welfare Fund, monies standing in the names of former employees where these fell within the limitations contained in Circular Letters Nos. 39 and 51 of 1961.

Difficulties also arose over the question of how far back it was necessary for tea gardens to go to discover "unpaid accumulations". As a compromise the Labour Minister suggested that the Act might be regarded as having retrospective effect for a period of ten years and that amounts relating to periods before 1949 should be ignored. This proposal is being examined.

Holidays with Pay.— The Government of India once again issued a recommendation that the 2nd October should be declared as a paid holiday for all workers to enable them to take part in the celebration of Gandhi Jayanti.

After consultation with the sister associations and all the other interests concerned, the Association decided that an additional holiday should be allowed to workers in Assam on the 2nd October 1962 and that in West Bengal it should be left to the workers to take a holiday on that day in exchange for any other holiday.

At the suggestion of the Assam Branch, consideration has since been given to the question of whether or not it would be possible to hold the holiday on the 30th January—the date of the Mahatma's death—instead of on his birthday which falls at the height of the plucking season. It appears, however, that this proposal does not find favour with the Assam Government, but other possible alternatives are now under discussion with the Union.

Tea Garden Schools in Assam.— A meeting of the Assam Education Advisory Board, set up under Rule 57A of the Assam Plantation Labour Rules, was held on the 1st May to consider a proposal for the taking over of tea garden schools by the Assam Government. As adequate notice of this meeting had not been given, the Association endeavoured to obtain a postponement, and when this request was not granted, it was decided that the Shillong Adviser should attend the meeting as an observer.

At the meeting Government announced their willingness to assume responsibility for the running of tea estate schools on the understanding that estates would provide and maintain suitable buildings (constructing new schools where none already existed), would provide housing for school masters and, where teachers were being employed at rates higher than the existing Government rates, would either absorb those persons into their own employment or would make good the difference between the official scales and the present rates of pay. Government proposed that their assumption of responsibility for schools should take place first in Cachar and that the position in the Assam Valley (where Government's additional financial liability would be very large) should be allowed to remain as at present until 1963.

Government's proposals were considered reasonable, but in view of the economic difficulties of Cachar it was decided that it should be suggested to Government that in the first instance schools should be taken over in Zone 2, and not in Cachar. Government has been advised accordingly and further developments are now awaited.

Clerical and Medical Staff.—(a) *Pay Scales in Assam.*—The Assam Cha Karmachari Sangha continued to press for a revision in the scales of pay for clerical, medical and artisan staff in Assam but the Association continued to resist this demand on the ground that this was a matter for the Wage Board. The Association, however, agreed to revise the rate of dearness allowance in accordance with the terms of the bipartite agreement which had been executed with the Sangha in 1959 and which provided for a revision in the rate in the event of the cost of living index rising above 115 or falling below 103 for a continuous period of six months. As the cost of living index had stood at above 115 for the six months ending 31st December 1961 it was agreed in August that :

- (a) there should be a further increase in the dearness allowance for staff—including medical staff—and artisans of 6% of basic pay subject to a minimum increase of Rs. 8/- or 10% of basic pay whichever is less.
- (b) this increase would have retrospective effect from the 1st January 1962.
- (c) there would be no further change until the cost of living index maintained by Government either rises above 124 or falls below 112 for a continuous period of six months. If the index should fall and remain below 112 for a continuous period of six months only the present increase would be affected.

This increase was in addition to the interim wage increase of Rs. 10 p.m. granted by the Wage Board to clerical staff with effect from the 27th June.

(b) *Annual leave for staff in the Dooars.*—The Dooars Tea Garden Employees Association put forward a claim that the gardens in the Dooars should grant all their clerical and medical staff annual leave on the following basis :—

1. 15 days in a year for the first five years, i.e., from the 1st year, after completion of 240 days' continuous work, to the 5th year of their service ;

- II. 21 days in a year from the next five years, i.e., from the 6th year to the 10th year of their service ; and
- III. 30 days in a year thereafter from the 11th year of their service till retirement.

It was claimed that leave used to be granted on this basis in the past but that since the introduction of the Plantation Labour Act the staff were only being allowed leave in accordance with the Act.

The Association regretted its inability to accept the demand, but the Union has since asked the Labour Commissioner to refer the matter to arbitration, and proposed that the arbitration should be conducted by the Chairman, Indian Tea Association. The Chairman has indicated his willingness to conduct the arbitration.

(c) *Retiral benefits.*— In last year's report details were given of the negotiations which had taken place with the Unions in the Dooars with regard to the introduction of a scheme of minimum retiral benefits for clerical and medical staff in that district. These negotiations had resulted in the Association making two alternative offers: (i) that the total of the provident fund accumulations, plus the actuarial lump sum valuation of any pension granted plus any retiral gratuity, should not be less than one month's final basic salary for each year of service subject to a maximum of 30 months' basic pay, and (ii) omitting consideration of provident fund accumulations but restricting the minimum to half a month's basic pay for each year of service or a maximum of 15 months' basic pay.

During the year these proposals received further consideration as certain interests felt that provident fund accumulations should not be disregarded. It was finally agreed that the following additional alternative proposal for minimum retirement benefits should be made viz., that the total of the provident fund accumulations, plus the actuarial lump sum valuation of any pension granted plus any retiral gratuity, should not be

less than one month's final basic pay and dearness allowance for each year of service, subject to a maximum of 30 months' basic pay and dearness allowance.

It was also agreed that this minimum scale of retiral benefits should be made available to workers attaining the age of 55 and that retirement should be compulsory at 58 subject to extension at the manager's sole discretion up to 60.

The proposals have been forwarded to the Labour Commissioner West Bengal and the Unions reactions to them are now awaited.

Medical Advisory Boards.— (1) *Assam.*—A meeting of the Assam Medical Advisory Board was held in Shillong on the 25th October, at which the Association was represented by Mr. J. Monro, Mr. H. W. Scallon, Dr. A. Gilroy, Dr. W. D. V. Burton, Mr. J. E. Atkins, and Mr. J. S. Hardman.

The main subjects discussed at this meeting were :

- (a) *Ratio of doctors and medical staff to workers.*—The Association's representatives resisted the suggestion that the number of doctors needed to be increased in view of the amendment to Section 10 of the Plantations Labour Act which provided for medical facilities to be made available to workers' families. It was pointed out that tea gardens always provided medical attention to workers' families and the Amendment Act now only recognised the true state of affairs.
- (b) *Health Assistants.*— It was decided that the Director of Health Services would examine the syllabus of the Health Assistant's course conducted by the Ross Institute with a view to ascertaining whether it provided adequate training for this category of tea garden personnel.
- (c) *Group Hospitals.*—It was agreed that a committee consisting of one representative each of the employees and workers, the Chief Inspector of Plantations and

the Deputy Director of Health Services would be set up to examine how many group hospitals were needed, what existing facilities could be utilised, and what additional units would have to be added. The Committee would also examine both the method of financing and the method of administering these units.

- (d) *Medical facilities in Cachar.*—It was also agreed that a tripartite committee should be set up to examine whether the central hospitals at Labac and Aenakhall could be financed by a cess or brought under the Employees' State Insurance Scheme.

(2) *West Bengal.*—One meeting of the West Bengal Medical Advisory Board was held in 1962 at which the Association was represented by Mr. D. B. Wallace, Dr. A. T. Bromley and Mr. P. Crombie.

The list of drugs, equipment etc., which had been drawn up by the Sub-Committee appointed at a previous meeting, was approved and will be submitted to Government for publication in the Gazette.

Training of Health Assistants.—The Ross Institute of Tropical Hygiene arranged for two three-week training courses for Health Assistants to be held at the Institute's headquarters from the 19th March to the 6th April 1962 and from the 9th April to the 27th April 1962. A total of 66 candidates were nominated by members for these courses.

In December 1962 the Director of Health Services, Assam, advised the Chief Inspector of Plantations, Assam, that the course for health assistants conducted by the Ross Institute was adequate and that candidates completing the course could be appointed as health assistants on tea gardens. The Chief Inspector therefore asked all the Producer Associations concerned to advise their members to take advantage of the courses offered by the Ross Institute.

Recruitment of labour in Assam.— The Association continued to adhere to the agreement reached at the 9th Session of the Industrial Committee on Plantations in 1960, namely, that there would be no fresh recruitment from outside the State of Assam without the consent of the Assam Government, and that for a period of three years the transit depots formerly operated by the Tea Districts Labour Association would be maintained by the Association. The scheme for internal recruitment in Assam continued to be operated by the Assam Branch, which sought the assistance of the Special Employment Exchange for Plantation Labour, whenever any difficulties were experienced in obtaining the requisite types of workers needed by a garden. The TDLA transit depots have been used by only a small number of workers in the course of repatriation.

Family Planning.— Previous reports have referred to the steady increase in the number of workers on tea gardens which has necessitated the adoption of a vigorous and systematic family planning campaign by the Association.

During the year under record considerable progress has been made in this campaign and the Association's Adviser has been Dr. Alan Gilroy, Principal, Ross Institute of Tropical Hygiene, who has spent a considerable part of his time and energy on this important aspect of the Association's work. He has been assisted by the Secretary, Zone 2, who has worked as the Secretary to the Family Planning Working Committee and has dealt with administrative matters arising out of the scheme. In 1961 the Association obtained the services of Miss Kalsi, who was at one time Principal of the Rowrah Training Centre and who completed her training in family planning during the early part of the year. Afterwards she took up residence at Borbam Tea Estate—the Association's thanks are due to the Amgoorie Tea Estate Ltd.—and, under the direction of Dr. Gilroy, launched a family planning pilot scheme. The objects of the scheme were to find out the number of couples (i) to whom family planning was applicable ; (ii) who already practised family planning or were willing to accept it ; and (iii) who wished to limit the size of their families. A detailed interim report was submitted in September, and the data compiled

suggested that the motivation of women in family planning might prove ultimately to be a more easy matter than had at one time been envisaged by the Association : the report also indicated that workers were interested in smaller families. Further information is still being collected and, once the pilot scheme has been completed, it is hoped that the detailed information available will enable the Association to decide in what way the scheme should be expanded. The pilot scheme has already shown that, as motivation in family planning has proved easier than expected, Assistant Social Workers may not be required and that Family Planning Workers, persons more directly connected with gardens, might be more appropriate. It is hoped that other useful information of this nature will emerge once the pilot scheme is finalised.

Concurrently with the Association's efforts to interest tea garden labour in the use of contraceptives, efforts have been made to popularise sterilisation. Considerable progress has been made in this sphere and, in certain areas, the demand for sterilisation has been considerable. As a result of this interest many P. M. Os have undertaken the training of A. M. Os in vasectomy and the Association has discussed with Government possible visits of sterilisation teams to gardens as well as grants for setting up sterilisation units. Indications are, however, that the present medical facilities on tea gardens are most suitable for sterilisation.

Throughout the year, the Association has continued to receive encouragement and assistance from Col. B. L. Raina, Director, Family Planning, Government of India and the Tea Board. Col. Raina has helped the Association's campaign with the free provision of contraceptives, with a slide projector and with literature. The Government of India, through State Governments, is helping with grants covering the distribution of contraceptives through hospitals and health centres and direct by commercial organisations. Some difficulty has been experienced in obtaining the grant from the Government of West Bengal, but more expeditious disbursements have been made by the Assam Government.

The Association's pilot scheme is in operation in Assam and what is learnt there will have applicability to the Dooars and to Darjeeling. These two Branches are well advanced with their family planning programmes, and Dr. Gilroy, during the year, visited both the Dooars and Darjeeling and a Family Planning Sub-Committee has been formed in the Dooars. Towards the end of the year, a family planning training course was arranged in Darjeeling by the Government of West Bengal, State Family Planning Officer.

As family planning and sterilisation becomes more common, interest will grow, and it is here that much help can come from the garden manager. Many are interested, but there are still those who feel that family planning is not necessary and will not achieve its ends. It is hoped that the Association's efforts in this respect will eventually convince those who are still reluctant that family planning is well worthwhile.

Employment Problems.—(a) *Assam (i) Screening Committee for managerial Staff appointments.*—The Screening Committee set up by the Government of Assam to examine applications received from candidates seeking employment in the tea industry held a meeting in Gauhati on the 16th October. The Association was represented on the Committee by Mr. F. Carman of Williamson Magor & Co. Ltd., and Mr. S. G. B. Brown, Chairman, Zone 2, Assam Branch Indian Tea Association. The Committee interviewed a large number of candidates and finally selected sixteen, who it was considered might be suitable for appointment on tea gardens as managers/welfare officers. As in the past, the Association made arrangements for each candidate to be granted at least two interviews by members.

(ii) *Employment of Contract Labour.*—In last year's report it was recorded that the Director of Statistics, Assam, had been instructed to carry out a sample survey to find out to what extent plantation operations had been transferred to contractors in estates in Assam.

It appeared that in the course of this survey, garden managers had stated that one of the reasons for the employment of

contract labour was absenteeism on account of khet cultivation. This matter was discussed at the meeting of the Standing Labour Committee held on the 22nd and 23rd May 1962, when it was decided that a committee consisting of Government representatives and two representatives each of employers and labour should be constituted to go into the questions of employment of contract labour and absenteeism on account of khet cultivation. Mr. J. A. Lys of the Bokel Tea Estate was nominated to represent the Assam Branch on this committee. The committee held its first meeting on the 11th September when it was decided to issue a questionnaire to garden managers.

(b) *West Bengal* (i) *Employment on tea gardens*.—Mr. P. Crombie, the Calcutta Adviser, represented the Association during the year under review on the West Bengal Government's Committee for the collection of information on the employment position in tea plantations in West Bengal.

One meeting of this committee was held on the 31st October, when the collated figures of replies to the committee's questionnaire were given preliminary consideration. It was agreed that the Labour Commissioner's statistical department would prepare a factual note on these figures for consideration at the next meeting when it was hoped that a report for submission to Government could be finalised.

(ii) *Employment of temporary labour*.—Towards the end of May certain gardens in the Kalchini sub-district of the Dooars were involved in a dispute with the Unions over the employment of temporary labour. The companies wished to engage unemployed labour resident on the gardens on a temporary basis during the peak plucking season but the labour refused to turn out for work unless they were given permanent employment. In this they were supported by the Union which complained that the employment of temporary labour prevented the unemployed dependants of resident workers from getting employment on a permanent basis ; that temporary labour were paid less than the minimum wage and were given a heavier workload than permanent labour ; and that the assurance given

by one of the companies that permanent jobs would be offered in hardship cases, viz families in which there remained no working member owing to death or retirement, had not been implemented.

Following a disturbance on one of the estates concerned, the Association addressed the Labour Commissioner, West Bengal, to explain the Association's policy in the matter of temporary labour, which had been reaffirmed by the Committee in the following terms :—

- (a) the determination of the size of the labour force was purely a management function and could not be discussed with labour or the unions.
- (b) all classes of work which could be said to continue throughout the year should be carried out by permanent labour.
- (c) in pursuance of the undertaking given at the 9th Session of the Industrial Committee on Plantations in 1959, there should be no intensification of work-loads at the present time and in the filling of vacancies preference should be given to resident workers.
- (d) temporary work would be offered to workers' dependants first though outside labour might be employed for work of a purely temporary nature.
- (e) leave with pay and medical benefits being statutory obligations, should be extended to all workers including temporary workers.
- (f) festival holidays with pay should be granted to temporary workers provided they had worked for a reasonable period prior to the holidays.

The Labour Commissioner was asked to use his good influence to prevent any further disruption of work on the gardens concerned. Conciliation proceedings were held in the

case of one company when it was agreed that one hundred workers, selected by the Unions from among the hardship cases, would be offered permanent employment. The other company had to face a short strike which rapidly collapsed, but thereafter it appears that both companies were able to obtain adequate supplies of temporary labour.

Land Requisition in Assam.— Reports continued to be received during the year of cases in which requisition orders had been issued by the Government of Assam involving lands suitable for the planting of tea and in such cases the Association sought the Tea Board's assistance in resisting the proposed requisition.

The Consultative Committee of Tea Producer Associations also drew the attention of the Tea Board to the haphazard requisitioning of valuable tea land which had been taken place in Cachar. It was pointed out that a great deal of the uncertainty which surrounded Cachar's future arose from the fact that those who own or acquired a tea estate never knew what portion of their property might be requisitioned on the grounds of public necessity which, when effected, appeared to serve little purpose. The Consultative Committee accordingly suggested that the Assam Government should be prevailed upon to set up an Advisory Committee similar to the one in West Bengal, which would permit the Chairman of the Tea Board to express a view as to the wisdom or otherwise of the requisition orders already issued or about to be issued.

Unfortunately, the Assam Government has not yet agreed to the setting up of such a Committee but the Chairman of the Tea Board has given an assurance that the Board will continue to support the view that lands which are suitable for new plantation should not be acquired by Government even when the estates concerned are not in a position to bring them under cultivation in the immediate future.

Introduction of the Metric System of Weights & Measures.—

(a) *Verification of Weighing Machines.*—In last year's report it was recorded that at a meeting held on the 22nd November, 1961, it had been agreed that original garden packed tea chests

should not be checkweighed by weights and measures inspectors because tea chests were normally reweighed at the time of sale and were sold on the basis of the final weighing. The Association therefore addressed the Controller of Weights and Measures, West Bengal suggesting that orders should be issued exempting tea gardens from the provision of the West Bengal Standards of Weights and Measures (Enforcement) Act in so far as their scales for packing tea in chests were concerned. The Controller, however, regretted his inability to issue such orders until the State Act and Rules were suitably amended by the West Bengal Government. The matter was then referred to the Tea Board who advised the Association that the decisions taken at the 1961 meeting had since been accepted at the Fifth Conference of Controllers of Weights and Measures and that appropriate action might now be expected to be taken by the Controllers to give effect to the Board's recommendations.

(b) *ISI Specifications for Spring balances.*—It is the practice on tea gardens to adjust the leaf weighing scales to allow for the tare of the basket so that the worker is credited with the quantity shown by the needle on the scale and there is no need for adjustments in the recorded weight on account of tare. The Indian Standards Institution specification for spring balances No. IS : 1702-1960 stipulates that the range of adjustment of spring balances shall not exceed one percent of the capacity of the instrument, and as balances now being supplied were manufactured to this specification, it was not possible for tea gardens to make the former adjustment on account of the weighing basket. The Indian Standards Institution was therefore asked to consider modifying its specifications but it regretted its inability to do so because the range of adjustment provided in the specification was meant to be used for correcting the wear and tear of the rack and pinion and fatigue of the springs and not for the purpose of taring the empty containers.

(c) *Test weights.*—It was agreed that tea gardens should be provided with test weights to enable them to verify their balances periodically.

Import of Machinery and Spare Parts.— In the course of discussions with the Minister of International Trade in connection with the export situation, the Association's representatives were given an assurance that the industry would be afforded every assistance in obtaining spare parts in order to prevent production being dislocated by machinery breakdowns. It was the Association's view that the solution to the problem lay in an adequate range of spare parts being stocked by established importers, since individual tea producers could not be expected to carry all the spares which they might need.

Members were asked therefore to submit to the Association lists of the machinery and spare parts normally required by them and the names and addresses of their usual suppliers. A consolidated list of the information received was prepared and submitted to the Chairman, Tea Board, for his consideration. The Board was also provided with details of the difficulties experienced by the importers in arranging for the import of the machinery and spare parts required by the industry.

In due course the Tea Board advised the Association that they had studied the papers submitted, but they were unable to support the proposals made that established importers should be allowed to import the entire range of machinery and spare parts required by the industry. It was pointed out that tea gardens would have to continue to obtain their requirements of machinery and spares through the system of actual users' licences, which was considered to be working satisfactorily.

Payment of Import and Excise duties on Tractors.— In last year's report it was recorded that the Government of India had turned down a request from the Association that tractors used by tea gardens should be exempted from the payment of import and excise duties, and that the Association had asked the Chairman, Tea Board, to take the matter up again on the grounds that tea gardens tractors were used for such work as uprooting tea bushes, preparing and clearing land, repairing roads and for irrigation. It was stressed that haulage work was only incidental to the main agricultural operations.

Representations were also made to the Joint Secretary, Central Board of Revenue, and to the Member (Central Excise), Central Board of Revenue. It appears that the Board is still of the opinion that the use of tractors on tea estates does not justify their being regarded as being wholly employed on agriculture. No final decision has been communicated to the Association, however, on this matter.

Foodgrain Supplies : 1962.— Steel Brothers & Co. Ltd., continued to act as the Association's agents for the procurement of foodgrains for tea gardens in West Bengal and Assam, and during the foodgrain year ended the 31st October, 1962, they delivered 47,000 tons of grain to tea estates as follows :—

		<i>Rice</i>	<i>Wheat</i>
Assam	...	14,000 tons	2,000 tons
Bengal	...	18,000 „	13,000 „

Assam.— In the areas in the Assam Valley supplied through Steel Brothers & Co., Ltd., opening stocks of both rice and wheat were appreciably lower than in the previous year. Offtake declined in the early months of the year, but rose steeply in the month of June and remained at a high level right up to the end of the year owing to the high prices prevailing in the open market. A total of 1,50,143 quintals was issued as compared with 1,27,120 quintals in the previous year. In the circles in the areas outside those supplied by Steel Brothers 19,147 quintals were issued as against 23,500 quintals in 1961. The Assam Government was unable to meet all the Association's requirements and gardens had to depend on allocations from outside the State. Out of a total allocation of 2,09,090 quintals, 1,19,450 quintals were from Central Government stocks.

Movement of these supplies was badly hampered, first by the steamer strike, later by military movements in North East India and finally by the emergency that developed in November. Fortunately Steel Brothers' Gauhati office was able to obtain emergency allotments within Assam itself to tide over the difficult period.

The pool rate for rice in 1962 was Rs. 64.80 per quintal as compared with Rs. 63.60 per quintal in the previous year.

As regards wheat, the total issues amounted to 29,174 quintals against 25,330 quintals in the previous year.

Bengal.— Orders for the entire year's requirements were placed in Orissa during December 1961 and January 1962, and although prices rose steadily from February all the suppliers honoured their contracts.

The average cost landed on gardens was Rs. 60 per quintal which was somewhat higher than the cost for 1961 but nevertheless considerably below the average market rates for the year.

The wagon supply position was satisfactory and the year's supplies were delivered to gardens before the monsoon broke.

Cachar.— 7,770 quintals of rice and 5,400 quintals of atta were issued to pool members during the year. Relatively easy conditions prevailed in the early part of the year, but with the severe flood in June prices rose steeply. Arrangements were made for non-pool members to get their rice from the Government Supply Department direct.

Khet Assessment.— In last year's report it was recorded that the Government of Assam had issued a direction requiring tea estates to discontinue the practice of making adjustments in respect of khet land produce and that the Association had not accepted the direction on the grounds that it had no statutory basis.

Early in the year the Shillong Adviser discussed the matter with the Chief Minister of Assam, when the Association's objections to the scheme were explained in great detail. It was eventually decided that the Association would address the Labour Department explaining the Association's stand and suggesting that the subject should be discussed at a tripartite conference.

The subject accordingly came up for discussion at the meeting of the Assam Standing Labour Committee held on the 22nd and 23rd May 1962. At this meeting the industry's representatives argued that the khet assessment procedure was one of long standing ; that it was covered by an Agreement with the Unions which could not be unilaterally abrogated ; and that its abandonment was likely to result in increased demands for foodgrains which, in a year of scarcity, would place undue strain on the already overburdened communications system. The labour representatives and the Labour Minister continued to insist that khet assessment should be abandoned.

In view of the very strong feelings expressed by the Labour Minister, further consideration was given to this matter by the Association in consultation with the Assam Branch. It was eventually decided that Government's wishes should be acceded to and that instructions should be issued to gardens to discontinue khet assessments. As it had been the contention of Government that for the most part the cultivation of lands held by workers was done by their unemployed dependants, the Association considered that members would be justified in discontinuing the practice of granting leave for khet cultivation.

Coal Supplies.— The Coal Controller was unable to sanction the entire coal requirements of tea gardens for 1962 and the allotments sanctioned as compared with the demands were as follows :—

	<i>Demand Tonnes.</i>	<i>Allotment Tonnes</i>
For North Bengal Gardens		
(Dooars, Terai & Darjeeling) ...	83,580	78,287
For Cachar Gardens ...	18,379	18,379
For Assam Valley Gardens ...	86,293	79,713

Coal for North Bengal gardens was transported by the Indo-Pakistan rail route via. Haldibari. Despatches were made by block rakes of 60 broad gauge wagons each, of which the Association was allotted a fair share. It was not possible, however,

to complete the despatch of the entire allotment before the end of August because in the latter part of the season, several programmes had to be cancelled owing to the non-allotment of wagons by the railways and also because the collieries were unwilling to supply coal against wagons allotted under "spare capacity" in the absence of fixed dates for movement. In the circumstances only 75,000 tonnes were delivered to the gardens against the 1961/62 allotments and the shortfall had to be carried over to the 1962/63 season.

As in previous years, Steel Brothers & Co., Ltd., continued to undertake the task of inspection of coal consignments at the transhipment point at Haldibari and to report on the quality on the Association's behalf. Reports on consignments containing an unduly high percentage of dust were passed on to the suppliers for investigation and also reported to the Coal Controller for appropriate action.

The accumulation of stocks for the 1963 season is proceeding very unsatisfactorily. Owing to the emergency the Railways have been unable to allot any wagons for destinations East of Siliguri. Special arrangements therefore, have had to be made for the movement of 10,000 tonnes of coal to the Eastern Dooars via Dhubri using the steamer cum rail route. Wagons have also had to be accepted on the via Gitaldah route and the Tea Board has arranged for 15,000 tonnes of coal to be supplied to gardens in the Dooars from collieries of the Assam Railway & Trading Co., Ltd., in Assam. Despite all these special measures it is feared that it will not be possible to deliver the entire requirements of the gardens for 1963 by the end of the coal season unless the railways allot wagons on the via Haldibari route for the Eastern Dooars and this aspect of the matter has been drawn most forcibly to the attention of the Tea Board.

Supplies to Cachar gardens, as in previous years, were from Assam collieries but as usual despatches did not keep pace with manufacturing requirements and early in March the Association had to ask the Coal Controller to sanction the release of 9,000 tonnes of Bengal coal to make up for the poor despatches. It was not until the end of May that the Controller

eventually sanctioned this movement. The steamer companies, advised the Association, however, that it was unlikely that they would be able to move more than 5,000 tonnes of coal to Cachar between June and September. Fortunately, as a result of an allotment of 3,000 tonnes of Khasi Coal in substitution of the allotments of Koliajan and in-transit coal, deliveries from the Assam collieries improved and the Branch did not require more than the 5,000 tonnes of coal which had been despatched to them. By the end of the season Cachar gardens had received 17,235 tonnes of coal from all sources or 82.21% of the total indented quantity.

For the Assam Valley gardens, allocations from Assam collieries were as follows :—

Ledo	...	...	27,900 tonnes
Dilli	...	...	3,986 „
Jeyjore	...	...	3,986 „
Nazira	...	...	3,986 „
Koliajan	...	...	3,986 „
Khasi	...	...	35,870 „

Deliveries were made by rail from the collieries in Assam to the various depots maintained by the Assam Branch which arranges final distribution to gardens. Supply of Khasi coal was made by rail and by river from Gauhati through the distribution arrangements of Steel Brothers & Co., Ltd. The total deliveries to Assam Valley gardens from coalfields in Assam during the coal year from 1st September 1961 to 31st August 1962 amounted to 70,028 tonnes or 87.85% of the total indented quantity.

Iron & Steel.— The supply position for iron and steel deteriorated considerably during the year. Owing to large outstanding orders with the producers against allotments made in earlier periods, no allocations were made by the Iron and Steel Controller of G.P. and G. C. Sheets (above 14 Gauge) on account of 1962/63 and tea gardens therefore received

no quota certificates against their demands for these categories during the year. Certificates were only issued in respect of B. p. sheets above 14 gauge.

G. I. wire was included in the list of relaxed categories of iron and steel, but as most of the items in these categories were in extremely short supply, producers were asked not to accept orders for them indiscriminately.

Cement.— During the year the supply of cement to tea estates continued to be under the control of the Regional Cement Officer, State Trading Corporation of India Ltd. who allotted permits on the basis of applications submitted through the Tea Board.

The supply position remained unsatisfactory and tea gardens only received authorisations for about 28.32 per cent of their requirements, the quotas allotted being as follows :—

		<i>Demands</i> <i>Tonnes</i>	<i>Allotment</i> <i>Tonnes</i>
Period I	...	45,436	11,498
Period II	...	44,397	13,450
Period III	...	45,287	13,949
Period IV	...	46,830	12,632
		<hr/> 181,950	<hr/> 51,529

A new procedure for the distribution of cement came into force during the year. The Association collated the requirements of members for each quarter and submitted consolidated demands to the Tea Board. When the quotas were announced the Association advised members of their individual allotments. Allotments, which did not constitute a wagon load, were clubbed together on the advice of the Branch Associations and the Regional Cement Officer was asked to issue permits for these clubbed quantities in favour of Circle or Sub-District Cement Officers appointed by the Branches. Certain difficulties have been experienced in placing orders against combined permits, but it is hoped that these will be removed as all concerned become better acquainted with the procedure,

The transport position has been extremely difficult throughout the year and, as a result, very little of the cement allotted to gardens has actually moved to the tea districts.

Fertilisers.— In March the Tea Board announced that the Government of India had released a further 10,000 tonnes of Sulphate of Ammonia for the Tea Industry in North East India for season 1961/62 and that this quantity would be distributed to tea gardens on a free sale basis. The final quota for 1961/62 was therefore :—

Sulphate of Ammonia	...	75,000 tonnes
Ammonium Sulphate Nitrate	...	16,187 tonnes
Urea	...	1,566 tonnes

In May the Tea Board announced that the Government of India had promised to meet the entire 1962/63 requirements of Sulphate of Ammonia of the Tea Industry in North East India, which were estimated at 1,17,285 tonnes. The fertilisers it was stated would be distributed on a "free sale" basis and tea companies were asked to place their orders with their suppliers before the 30th June 1962.

As a result of the steamer strike and the circumstances arising from the emergency, deliveries of fertilisers have not been altogether satisfactory and at the end of the year members reported that there were 20,000 tonnes of fertilisers to be moved upcountry before the commencement of the new tea season.

The prices of nitrogenous fertilisers were revised with effect from the 1st September, 1962 as follows :—

	<i>Pool Price</i>	<i>Retail Price</i>
	<i>(Maximum)</i>	
	<i>Per Tonne</i>	
1. Sulphate of Ammonia ...	Rs. 354.60	Rs. 384.60
2. Ammonium Sulphate Nitrate	Rs. 400.00	Rs. 435.00
3. Urea ...	Rs. 670.00	Rs. 715.00

Members reported that there had been several instances during the last two years where station masters had refused to

release consignments of Sulphate of Ammonia until their demands for alleged "under charges" at the booking stations had been met. To avoid delay these claims had been paid by the gardens which then endeavoured to recover the expenditure. The suppliers, however, were unwilling to reimburse the gardens and in several cases the amounts involved had to be written off involving the gardens concerned in unnecessary loss.

The Association reported the matter to the Tea Board which, after consultation with the Railway Authorities, advised that tea gardens should pay the under charges to the railways under protest and simultaneously file a claim for refund. They should then inform the consignor/suppliers who would arrange with the railways for the payment to be refunded.

Tea Chests.— Last year the Indian Standards Institution circulated for comments a draft revision of the I.S.I. specification for tea chests (No. IS : 10-1953) and this draft was considered at a meeting of the Wood Products Sectional Committee held on the 10th March 1962, at which the Association was represented by Mr. F. Carman of Williamson Magor & Co. Ltd. Two matters connected with the draft received the attention of the Association during the year. The first related to whether there should be a reduction in the size of nails to be used for securing battens in the construction of tea chests. The draft specifications provided for nails of the size 25 mm × 2 mm to 2.3 mm. This size of nail was long enough to be clinched but it inevitably tore the batten paper and it was feared that this might increase the risk of taint. The Association was not in favour of reducing the size of nails, however, because shorter nails would reduce the rigidity of the chests and thereby increase the risk of damage. It was considered that a strong chest was of the first importance and that the risk of taint arising as a result of nails piercing through batten covers would have to be accepted.

The second matter related to the taring of tea chests. The Sectional Committee considered it important that limits of permissible variation in the weight of materials used in

the construction of a tea chest should be laid down. Agency Houses were accordingly asked to arrange for 100 complete sets of components (shooks, battens, linings, fittings and nails) to be selected at random on each of two gardens and for the weight of each complete set to be recorded and advised to the Association. The data so collected has been passed on to the Indian Standards Institution.

A matter which caused some concern to the Association in the early part of the year was a change made in the Railway goods tariff stipulating that tea chests offered for carriage to the railways should contain not more than 100 lbs. of tea and that the chests should have wooden frames and should be bound under tension with steel strappings or wiring. This change came into force from 1st January 1962, from which date local station masters were only prepared to accept tea packed in the traditional tea chests under qualified receipts. The Association represented the matter to the Chairman of the Tea Board and as a result of his intervention the Railway Board restored the previous specification which read as follows :—

"Tea in Bulk must be packed in (i) metal lined or alkathene film lined patent chests or (ii) metal lined or alkathene film lined wooden chests and securely bound with hoop iron or wire".

Supply of Natural Gas from Naharkatiya.—As the gas firing trials at the Dirial Tea Estate had proved most satisfactory, it was decided that further experiments should be carried out and for this purpose a pilot scheme was drawn up for the use of gas by tea estates in the Tingri Circle.

The Assam Gas Co. has promised to make supplies of gas available for the project at a well-head price of Re. 1/- per 100 cubic feet and the implementation of the Scheme is awaiting the finalisation of a contract between Oil India Ltd., the Assam Gas Co. and the estates concerned.

There appears to be some doubt, however, whether any general extension of the pilot scheme will be possible because

it seems that most of the supplies of natural gas will be taken up by the Assam State Electricity Board and that after the needs of the fertiliser plant are met, there may be no supplies available at all for the tea industry.

Electricity Supplies in Assam.— The Association is represented on the Assam State Electricity Consultative Council by the Shillong Adviser. Three meetings of the Council were held during the year, at which the progress of the two major projects for the supply of electricity to Assam were kept under review.

(a) *The Naharkatiya Thermal Project.*—This project has been designed to utilise the supplies of natural gas available from the oil and gas wells in the Naharkatiya area, which it is understood will be supplied at a well-head price of 25 nP. per 100 cubic feet. At the initial stage four generating units of 16.8 MW rating each will be installed, the finance for which will be met from dollar aid. The construction of the power house is somewhat behind schedule owing to certain unexpected difficulties which arose in connection with the construction of the foundations ; but work on the installation of the first two generators is expected to commence early in the second half of 1963.

The main transmission and sub-transmission lines under construction are as follows :—

- (1) 66 KV—double circuit line from Naharkatia to Tinsukia.
- (2) 66 KV—double circuit line from Naharkatia to Golaghat via Nazira and Mariani.
- (3) 66 KV—single circuit line from Tinsukia to Dibrugarh.
- (4) 66 KV—single circuit line from Golaghat to Bokajan.
- (5) 33 KV—sub-transmission lines from Tinsukia to Dooma and Tinsukia to Digboi and Margherita.
- (6) 33 KV—sub-transmission lines from Naharkatia to Moran and between Moran and Nazira.

- (7) 33 KV—double circuit sub-transmission lines from Mariani to Jorhat.
- (8) 11 KV—sub-transmission line from Margherita to Ledo.
- (9) 11 KV—sub-transmission line from Nazira to Sibsagar.

(b) *Uniam Hydel Project*.—This project has an installed capacity of 36000 KW in the first stage of development and is expected to be completed by the end of 1963. A further 60,000 KW are expected to be generated on the completion of the second stage in 1955/56. The electricity produced under this project will be utilised in the districts : Khasi and Jaintia Hills, Kamrup, Nowgong, Darrang, Goalpara and Cachar.

The project is progressing according to schedule and the construction of the power house will commence early in 1963.

Licences for the storage of oil.— In last year's report it was recorded that members had experienced certain difficulties in securing the renewal of their licences for the storage of oil and that the Chief Inspector of Explosives, Nagpur, had been asked for guidance in the matter.

During the year the Chief Inspector replied to the Association's request and explained in detail the procedure to be followed by the gardens in applying for the renewal of their licences. He also suggested that the Association should obtain from the Burmah Oil Co. (India Trading) Ltd., a note on the provisions of the Petroleum Act and Rules as it appeared that members were not familiar with this legislation.

The Burmah Oil Co. (India Trading) Ltd. very kindly prepared a note for the Association on this subject, and the note together with the Chief Inspector's advice was circulated to members in Circular No. 45 of the 27th March 1962, which is reproduced in the appendices to this report.

The confusion, which had arisen over the correct account head into which the licence fees had to be deposited, was eventually resolved when orders were issued that licence fees for

1961 and onward would have to be paid into account No. XX-Misc-Deptt-(Central)-Misc-Explosives and that the fees previously paid in respect of 1961 and 1962 under any other head would be refunded in due course. These orders unfortunately do not appear to have reached the Deputy Commissioner, Darjeeling, who refuses to accept deposits under the revised heading. The matter has been referred to the Chief Inspector of Explosives.

Assam Air Scheme.— During 1961, the Assam Branch had objected to a proposed large scale Branch aircraft scheme on the grounds of its high cost, and it had been suggested that a pilot scheme, to be run by Messrs. Associated Air Works using existing air-strips and ancillary facilities in Assam, should be introduced during the cold weather of 1962/63.

Unfortunately, it had not been possible to introduce the pilot scheme when the emergency arose and communications in Assam were completely disrupted. As a result of experiences during the emergency it was agreed that an air scheme was essential and with the co-operation of the Dooars Branch, one aircraft, an Aeronca, was despatched to Assam in November. It was stationed at Julia Tea Estate under the control of the Branch Chairman, but had to be withdrawn towards the end of December for repairs.

Arrangements have been made with Messrs. Associated Airworks to station three aircraft in Assam, and for the present it has been agreed that they should be located as follows:—

- Zone 1 : a Bonanza at Greenwood tea estate near Mohanbari;
- Zone 2 : a Navion at Duklingia Tea Estate near Jorhat;
- Zone 3 : an Aeronca on the North Bank either at Julia Tea Estate or at Tezpur.

This scheme is expected to come into operation early in 1963.

Tea Carriage Agreement.—Towards the end of the year the Joint Steamer Companies advised the Association that owing to the strike of mariners and for other reasons their financial position had become very difficult and they had had to apply to Government for a substantial loan. As the processing of their application might take some time, the Steamer Companies asked that the tea companies should make immediate payment of freight in respect of all their teas in transit by the steamer services. The Association asked members to extend their co-operation in this matter, and later recommended that freight in respect of the balance of the 1962 tea crop should be pre-paid on a monthly basis as the teas were placed on the vessels.

There was also a proposal that freight rates should be increased, and the Association made an unofficial approach to the Chairman, Tea Board, suggesting that in the event of such an increase being enforced, the Board might consider granting subsidies to tea companies to the extent of the increase. The Board's response to this suggestion was not encouraging and further developments are now awaited.

Transport, 1962—Assam and Cachar.— Movement of tea and also movement of supplies for tea estates was generally satisfactory for the greater part of the year, but an acute crisis arose with the two months' strike of steamer crews which commenced early in October. The Steamer Company ran their Tea Specials to cope with the movement of early season's teas. A new development was a large scale movement of teas by road from Upper Assam for loading on flats at Sadilapur Ghat, below Gauhati, an arrangement which expedited the turn-round of flats. Before the strike, shipments of teas were well ahead of the previous year in spite of two major floods which recorded the highest level for many years.

The steamer strike, which coincided with the Chinese aggression, resulted in severe dislocation of normal traffic movement, and though endeavours were made to divert tea to the all-rail route in increasing quantities, and to move it by air there was very considerable congestion of manufactured tea both in Assam and Cachar.

The movement of both Khasi and Ledo coal was completed according to schedule, though there was some delay in moving an additional allocation sanctioned relatively late in the year.

Steamer Services to the U.K.— (a) *Availability of Space.*—

In last year's report it was recorded that the Calcutta Liners Conference had introduced a scheme for the rationalisation of freight to ensure a fuller utilisation of the space available. In July 1962 reports were received from members that there appeared to be some shortage of freight on the U.K. run and the Association therefore asked the Calcutta Liners Conference to resume the exchange of information regarding the demand and availability of shipping space. By the middle of September the position appeared to have deteriorated, especially in regard to freight to West Coast ports and the Association asked the Calcutta Liners Conference to convene a meeting to discuss the position and also the problems caused by steamers not adhering to scheduled sailing dates and the question of the withdrawal or replacement of advertised steamers.

The joint meeting was held on the 18th September 1962, when representatives of the Association and the Calcutta Tea Traders Association were present. The discussions revealed that many of the difficulties being experienced had arisen because there existed a belief among exporters that there was a shortage of space for the U.K. with the result that there was a tendency to make panic bookings, to overbook and to book far in advance of known requirements. To remedy this position it was agreed that the following measures should be taken :—

- (a) the Association would recommend to its members that they should not make bookings for more than one month ahead.
- (b) when it becomes necessary to cancel a booking, this would be decided as early as possible and the steamer agents immediately informed.
- (c) steamer agents for their part would endeavour to declare their sailings as far ahead as possible.

- (d) a small Liaison Sub-Committee would be set up and would meet at fortnightly intervals.,

The Liaison Sub-Committee, on which the Association was represented by Mr. M. R. Smith of James Warren & Co. Ltd. held regular meetings at which the freight position was kept under constant review and it would appear that the difficulties earlier encountered have been reduced.

(b) *Rates of Freight.*—Further discussion took place early in the year between representatives of the Calcutta Liners Conference and the Association on the proposal that had been put forward last year that the rates of freight to the U.K./Continent from Calcutta and Cochin should be equated. The Association's representatives strongly opposed the proposal on the grounds that the increase in freight rates from Calcutta, which would be involved, would have a detrimental effect on the sale of common teas which were facing very severe competition. The proposal could not also be supported because shipments from Calcutta accounted for 83% of the total shipments of tea from India and it was inequitable that the rates of freight should be increased for this quantity of tea solely to benefit the remaining 20% which was shipped from Cochin. If it was the desire of the Government of India to reduce the rates of freight from Cochin, this should not be done at the expense of the Calcutta shippers. The Association was later advised that the proposal had been abandoned.

It was with some concern therefore that the Association learnt from a letter addressed to the Consultative Committee of Tea Producers Associations in June 1962 that the Tea Board were pursuing with the Directorate of Shipping (Freight Investigation Bureau) Bombay, the matter of fixing uniform freight rates on tea from Calcutta and Malabar to U.K./Continent and that the Bureau had taken up the matter with the Major Conferences in London. The Association immediately addressed the Tea Board and explained that it was strongly opposed to the proposal for uniform freight rates for the same reasons as had been given to the Calcutta Liners Conference. The

Tea Board later advised the Association that the Bureau had been asked not to press the issue any further for the present.

Excise Duty on Tea.— (1) *Rates of Excise Duty.*—By a Notification dated the 24th April, 1962, the Government of India increased the number of Excise Zones from four to five and fixed the rates of duty on tea, except package tea, as follows :—

Zone I	...	...	15 nP. per kg.
Zone II	...	...	25 nP. per kg.
Zone III	...	...	30 nP. per kg.
Zone IV	...	...	35 nP. per kg.
Zone V	...	...	45 nP. per kg.

The areas in North East India covered by these Zones are as follows :—

- Zone I.** Districts of Goalpara and Cachar in Assam State. Union Territory of Tripura ; Siliguri and Kalimpong Sub-divisions and areas in jurisdiction list numbers 31 and 22 of the Kurseong sub-division of the Darjeeling district and the district of West Dinajpur and other districts in West Bengal, excluding the district of Jalpaiguri and other sub-divisions of Darjeeling district ;
- Zone II.** Districts of Nowgong and Kamrup and Mangaldai sub-division of Darrang District in Assam State ; District of Jalpaiguri in West Bengal ;
- Zone III.** The Sadar sub-division and Kurseong Sub-division excluding the areas in the jurisdiction list Nos. 31 and 32 of the Kurseong Police Station of the Darjeeling district in West Bengal.
- Zone IV.** (South India).
- Zone V.** District of Darrang excluding Mangaldai sub-division and the districts of Lakhimpur and Sibsagar in Assam State.

In announcing these changes, the Government of India also announced that a refund of excise duty at the rate of 15 nP. per kg. would be allowed on all teas exported. As the export duty on tea was also simultaneously reduced from 44 nP. to 25 nP. per kg. the effect of the refund procedure was that tea, other than package tea, was allowed to be exported on the payment of 10 nP. kg. only as export duty.

In the case of "Package Tea", on which excise duty remained at 40 nP. per kg. plus the duty paid on the garden, exporters were entitled to a total refund of excise amounting to 55 nP. per kg. and were therefore granted a rebate of 30 nP. per kg. on their shipments.

(2) *Payment of Duty by cheque.*—In its reply to the questionnaire issued by the Central Excise Reorganisation Committee, the Consultative Committee of Tea Producer Associations had referred to the inconvenience which had arisen from the discontinuance of the practice whereby excise officers allowed clearance of tea from the factory on the production of a telegram with chalan number and date indicating that funds for the payment of excise had been deposited by the Agency House in Calcutta. The Reorganisation Committee had undertaken to look into this complaint and a meeting was convened by the Member of the Central Board of Revenue (CX) in August to examine the case. At this meeting, at which the Association was represented by the Deputy Chairman, the Board Member agreed to restore the previous practice temporarily and asked Producers to consider a system for the payment of excise duty by cheque drawn by the estate manager.

Members were accordingly asked to consider the feasibility of making arrangements for the payment of excise duty by managers by cheque at the time of clearance. After examining their individual circumstances members agreed that where excise duty was not paid in cash into the local treasury, such payment could be made by cheque either by the garden manager or by the Calcutta office on the garden manager's behalf and that the new system should be introduced with effect

from the 1963 season. The Central Board of Revenue has been advised accordingly.

(3) *Storage of tea in emergencies.*—In the Association's report for 1960 it was recorded that the Association had made a representation to the Collector of Central Excise suggesting that in emergencies, when it was not possible for teas to be removed after the payment of duty because of the non-availability of wagons etc., factory inspectors should be authorised to allow the storage of teas in any suitable godown within the garden premises, subject if necessary to the later formal approval of the Deputy Collector.

In a letter dated the 12th July 1962 the Deputy Collector advised the Association that (i) tea estates could establish duty paid godowns inside the factory premises for the storage of duty paid teas ; (ii) where gardens did not have such godowns and where teas could not be removed after the payment of duty owing to unforeseen circumstances such as floods, non-availability of wagons etc., such teas could be stored within the factory premises in accordance with the prescribed procedure ; (iii) In exceptional cases where it was not possible to store the teas in the factory or to convey them to destination after clearance from the factory, the teas could be temporarily stored at a suitable place en route subject to the following conditions :—

- (a) the manufacturer or the person in charge of the goods as the case may be must immediately notify the jurisdictional Central Excise Officer of such storage.
- (b) the stock of such goods shall be open to inspection of Central Excise Officers.
- (c) removal of such goods should take place before the jurisdictional Central Excise Officer who will make suitable endorsement on the covering gate pass of the consignment and for this purpose intimation

should be given to the Officer at a time sufficiently ahead of such removal.

(4) *Complimentary Teas.*—It is the practice on tea gardens for complimentary teas for labour and staff etc. to be cleared in bulk in chests or bags and for teas so cleared to be later distributed in the office to those concerned. A small part may be packed in wooden/plywood boxes and sent by post as gifts to friends and representatives of clients. No package excise duty was claimed on such gift packets.

In September 1962 a report was received that a factory inspector on a member garden had made a remark on the complimentary tea book of the garden to the effect that tea sent as gifts by post to any place should be treated as package tea and therefore subject to the higher rate of duty. The Superintendent of Central Excise, Jalpaiguri to whom the matter was referred by the manager gave a ruling that "package tea" excise duty was payable by tea gardens which issued complimentary tea in containers other than newspaper or grocery bags. As this ruling appeared to be most inequitable, the Association referred the matter to the Collector of Central Excise, West Bengal for consideration and a reply is still awaited.

(5) *Multiplicity of Excise registers and documents.*—In its reply to the Excise Reorganisation Committee's questionnaire, the Consultative Committee of Tea Producer Associations drew attention to the very large number of registers and documents which tea gardens had to maintain, and to the excessive work which these involved on the manager, who had in the case of an estate producing 15,000 mds. of tea to sign or initial excise documents alone not less than 14,000 times a year. It was suggested that there was considerable scope for a reduction in the number of registers and records and that all the information needed by the excise department could be obtained from the daily factory report and the following eight registers/documents :—

- (1) Dryermouth weighment register.
- (2) Weighment register for graded teas and tea waste.

- (3) R. G. 1.
- (4) R. T. 3 return.
- (5) Invoices.
- (6) Gate Pass.
- (7) Personal ledger a/c.
- (8) Sample register for duty free and duty paid samples.

In September 1962, the Tea Board advised the Association that the Government of India had considered the proposals for a reduction in the number of registers etc. and that it was felt that if tea estates introduced the "Tea Book" and "Stock Register" which had been prescribed last year they would only have to maintain the following additional registers viz :

- (i) Weighment register.
- (ii) Despatch register.
- (iii) Register showing duty free issues of liquid teas.
- (iv) Account of complimentary or gift tea and retail sale.

Government felt that there was no further scope for the reduction of excise documents.

The "Tea Book" and "Stock Register" recommended by Government was not considered completely satisfactory by the Darjeeling Branch which recommended the adoption of a composite register of 36 columns. The Branch suggestion has been forwarded to the Excise authorities for consideration.

The Tea Board has also been asked to examine certain alternative proposals made by a member estate for the simplification of the "Tea Book" and "Stock Register" and it is hoped that if these suggestions are accepted, a further reduction in the number of registers/documents to be maintained by tea estates will be achieved.

On the question of signing excise documents at the time of clearance, the excise authorities have since agreed that Gate

Passes may be signed by a responsible officer duly authorised in this behalf by the Manager.

(6) *Central Excise Reorganisation Committee.*—A delegation from the Consultative Committee of Tea Producer Associations, on which the Association had been represented by the Vice-Chairman and Mr. M. R. Smith, appeared before the Central Excise Reorganisation Committee to give oral evidence on 17th July 1962. The Committee appeared to be anxious to streamline procedure and avoid delays and they had therefore been sympathetically inclined towards the delegation's complaints about the heavy documentation in which the tea industry was involved. As recorded elsewhere, certain action has already been taken on some of the complaints made by the delegation.

(7) *Bonded Warehouses.*—In its reply to the questionnaire issued by the Central Excise Reorganisation Committee the Association suggested that arrangements should be made for the payment of excise duty in arrears. A similar suggestion had been included in the proposals which had been submitted to the Government of India for the consolidation of taxes on tea.

As it was understood that the Central Excise Reorganisation Committee were in favour of bonded warehouses for tea, the Association arranged for this matter to be examined in detail by the Supplies, Transport & Freight Rates Sub-Committee. The Sub-Committee held two meetings at which all aspects of the proposal were thoroughly considered and the final opinion of the Sub-Committee was that a bonded warehouse system for the tea industry would not result in any financial gain—and might result in extra expense—would be cumbersome and difficult to work in practice and might result in the delay of teas.

On the question of costs it appeared that the system might result in a saving of some Rs. 7 lakhs a year on interest charges ; but against this there would have to be charged the cost of the excise staff amounting to about Rs. 5 lakhs a year

and the cost of extra staff in company offices to deal with removals from bonded warehouses. All in all, the extra expenditure might vary from Rs. 3 to Rs. 8 lakhs per year, and in the circumstances the Association decided that a bonded warehouse system would be unsuitable for the tea industry.

A proposal that one of the existing private warehouses might be converted into a bonded warehouse was also rejected as the owners were not willing to undertake the conversion.

Warehousing Conditions.— (a) *General.*—Warehousing conditions for the storage of tea were satisfactory during 1962, the tea trade and industry being allotted accommodation for 6.37 lakh chests in the Port area as follows :—

<i>Accommodation for</i>	
Sale Tea Warehouse	2.40 lakh chests
Hide Road Warehouse	1.44 lakh chests
3 King George's Dock	0.90 lakh chests
Kantapukur sheds	1.63 lakh chests
	<hr/>
	6.37 lakh chests

The highest stock held by the warehouses during the year under review was 6,37,522 chests.

The area for transit teas was the same as last year i.e. Tea Transit Sheds and Union South Jute Mills for river teas and Hide Road Warehouse (Ground Floor) for rail teas. Towards the end of the year the Steamer Companies reported that there was some danger of the transit areas becoming congested if the rate of clearance was not improved and the Association asked members to co-operate with the Steamer Companies and to arrange for the speedy clearance of their teas.

The Association continued to be represented on the Joint Tea Warehouse Advisory and Tea Liaison Committee by the Hon'ble S. P. Sinha of Macneill & Barry Ltd.

(b) *Libyan Depot.*—In the course of the year, a working Group, on which the Calcutta Tea Traders Association was

represented by Mr. M. R. Smith of James Warren & Co., Ltd., was set up by the Tea Board to consider a proposal that the management of the new Libyan Tea Depot and of the existing public tea warehouses, should be entrusted to the Central Warehousing Corporation.

In the course of its deliberations the Working Group asked for the views of the Producer Associations on the proposal and the Consultative Committee nominated Mr. B. N. Nobis to appear on their behalf. Mr. Nobis made it clear that the producers were satisfied with the way the warehouse had been run by Balmer Lawrie & Co., Ltd., and that they would not welcome any change in tea warehousing which might only upset a system which had been working very satisfactorily.

He recommended that the management of the Libyan Depot should also be entrusted to Balmer Lawrie & Co., Ltd., and that if the guarantee, which it is understood had been given by the Tea Board to the Port Commissioners on the matter of rent, had at any time to be honoured this should be done out of the accumulated Tea Board funds, which still remained in the hands of the Central Government.

The Working Group's report was subsequently considered by the Executive Committee of the Tea Board and it is understood that it was agreed that the Central Warehousing Corporation should take over all public tea warehousing.

(c) *Warehousing Charges.*—The rents for all the warehouses in the Port of Calcutta were increased by the Calcutta Port Commissioners with effect from the 1st April, 1962. Balmer Lawrie & Co., Ltd. were consequently compelled to ask for an increase in their charges and the Calcutta Tea Traders Association approved the following revised rates with effect from the 1st May :—

SCHEDULE

PER CHEST

- A Receiving into Warehouses and Increase from Rs. 1.09
all other services as at present to Rs. 1.43
scheduled.

SCHEDULE

PER CHEST

- B Rent after first month upto and Increase from Rs. 0.17
including "Prompt Date" per to Rs. 0.22
week or part of a week payable
by seller.
- C Rent after "Prompt Date" per Increase from Rs. 0.17
week or part of a week payable to Rs. 0.22
by buyer.

The Consultative Committee of Tea Producer Associations asked the Tea Board to request the Calcutta Port Commissioners to reconsider the increases imposed but the representation was unsuccessful.

Petty Tea Claims.—In June the Joint Steamer Companies issued a circular suggesting that, with a view to expediting the settlement of claims, tea companies should refrain from submitting claims where the loss involved in a single invoice was Rs. 10/- or less.

The Insurance Association of India supported this proposal and suggested that claims of Rs. 10/- and less should not be submitted either to the underwriter or to the carriers.

After examining these suggestions the Association agreed that they should be accepted, and a recommendation was issued that losses upto Rs. 10/- on all consignments of tea should be borne by the tea companies themselves and not be submitted to the underwriters or the carriers for settlement.

Indian Income Tax Rules : Replacement of Tea bushes.—

The Association had in the past made representations to the Central Board of Revenue suggesting that Rule 24 of the Indian Income Tax Rules should be amended so as to permit expenditure incurred on replacements planted on virgin soil being treated as revenue expenditure in the same way as expenditure on infilling and replanting on land previously planted with tea. The Central Board of Revenue had, however, declined to accede to the Association's request.

In March 1962 the Association decided that the time was opportune to re-open the matter and a reference was accordingly made to the Chairman, Tea Board, who was asked to represent the case to the Central Board of Revenue urging that the concession sought by the industry would enable tea companies to maintain their properties in the best possible condition and would act as an incentive towards increased production and the eventual attainment of the Third Five Year Plan target.

Ultimately the Secretary, Central Board of Revenue, in regretting his inability to accept the proposal, advised the Association that Government's "concept of capital and revenue expenditure based on legal decisions made it difficult to deviate from the existing position without wide repercussion".

Assam Agricultural Income Tax.— The rates of Assam Agricultural Income Tax for the year commencing 1st April, 1962 were revised by the Assam Finance (Amendment) Act, 1962 as follows:—

- (a) where the total income of the company does not exceed Rs. 1,00,000, on the whole of the total income—41 naye paise in the rupee.
- (b) where the total income of the company exceeds Rs. 1,00,000 on the whole of the total income—50 naye paise in the rupee.

The corresponding previous rates were 34 naye paise and 38 naye paise respectively.

When the proposed increases were announced, the Association submitted a memorandum, which is reproduced in the appendices to this report, to the Finance Minister of the Government of Assam protesting against the increases. It was urged that the amendments should be reconsidered firstly on the grounds that additional burdens on tea producers were inopportune and inexpedient in present circumstances when companies were expected to expand production to meet the targets

of the Third Five-Year Plan, and secondly that a tax graduated to the size of the company was both illogical and retrograde.

Government, however, on the grounds that additional finances were needed for the fulfilment of the third five year plan, were unable to reconsider the matter.

Assam Taxation (on goods carried by roads or inland waterways) Act, 1961.— The applications which had been filed in the Assam High Court on behalf of the Golaghat Tea Co. Ltd., and the Dessai Parbuttia Tea Co. Ltd., to challenge the validity of above mentioned Act did not come up for hearing throughout the year under review.

The Act itself expired on the 31st March 1962, and members were advised that no tax should be paid or returns made in respect of tea which left the garden on or after 1st April, 1962.

The Assam Passengers and Goods Taxation Act, 1962.—During the year the Government of Assam enacted the Assam Passengers and Goods Taxation Act, 1962, which provides for a levy of tax on passengers and goods carried by road or on inland waterways. The tax is leviable at 10% of the amounts paid on fares by passengers or on freight in respect of goods carried. The tax is leviable only on public transport services and covers vehicles owned by a public carrier. It does not affect goods transported by tea estates in their own vehicles. The Act applies also to goods carried by river steamer and in the case of freight charges which cover inter-state movement the tax is leviable on the portion of the journey which falls within the State in the proportion that it bears to the total journey. The Act does not apply to transport by air or by railways but extends to the Assam State transport undertaking.

The Act came into force from the 16th August, 1962.

West Bengal Taxes on Entry of Goods in Local Areas Act.— In last year's report, it was recorded that the Association, in conjunction with the other Producer Associations, had filed

applications in the Calcutta High Court for the issue of appropriate writs restraining the Commercial Tax authorities from giving effect to the provisions of the West Bengal Tax on Entry of Goods in Local Area Act, 1955, and that a rule had been issued.

The case came up for hearing on the 12th September when the Government Advocate applied for permission to file an affidavit in opposition to the Association's Writ petition. This request was granted by the Court which issued orders that the affidavit should be filed by the 26th November, 1962. Government applied for a further adjournment when the case came up for hearing in December.

In order to revalidate the previous Act, Government introduced the West Bengal Taxes on Entry of Goods in Local Areas Bill 1962 which, in due course, became an Act and was published in the Calcutta Gazette Extraordinary of the 1st January, 1963.

In view of this development the petitions before the High Court have been withdrawn.

Rehabilitation of Refugees in Cachar.— In August 1962, the Minister of Works, Housing and Supply, in reply to a starred question announced in the Lok Sabha that the Government of India had decided to set up a Committee of Enquiry to investigate the circumstances in which the Indian Tea Association, Cachar, was paid Rs. 20.80 lakhs for the rehabilitation of refugees. The Minister also announced that the Committee would consist of a Chairman, two members, one of whom would be nominated by the Assam Government, and a Secretary, who would be an officer of the State Government.

The Association has received no official information of the Committee or its terms of reference but a Press Report which appeared in the Assam Tribune of the 11th October 1962 stated that the Committee would consist of Sri P. C. Barooah, M.P. as Chairman, Sri A. N. Kidwai, Chief Secretary, Assam and Sri P. V. Gopalan, Deputy Secretary, Government of India,

as members and Sri P. Sen, Under Secretary, Development Department, Assam, as Secretary. The Committee was expected to submit its report to the Government of India by the 30th April 1963.

The National Emergency.— The border dispute with China is of some years' duration, and although many tea gardens are situated near to the frontier, little effect has been felt from the sporadic clashes which had taken place from time to time. Matters came to a head with an all out Chinese attack on Indian positions in NEFA and elsewhere in November. There was a general breakthrough and the Chinese army advanced towards the plains of Assam. During this period close liaison was maintained by the Secretary, Zone 3, with the Army Headquarters and it was on the 18th November that the Army asked, in view of the seriousness of the military situation, that wives and children should stand by for evacuation from the North Bank. The position continued to deteriorate, and on the evening of the 19th November, information was received from the Army that it was considered that all managerial staff as well as wives and children should be removed. Full scale evacuation took place during the whole of the 20th November, and by early next day almost all had been withdrawn from the North Bank. Planters, their wives and children, were flown out by I.A.F. planes and, on arrival at Dum Dum Airport, were met by representatives of the Association and Agency Houses and transported in buses to the B.O.A.C. Chowringhee Office. Agency Houses and the U.K.C.A. had prepared accommodation lists and on arrival the evacuees were taken speedily to their destinations. Early on the 21st November disquieting news was received that the authorities had ordered the complete evacuation of the South Bank. This was felt to be unnecessary at the time and was ultimately limited to women and children. The evacuation increased in tempo by early arrivals from the South Bank, by North Bank evacuees and by others who had motored to Gauhati. Throughout the day plane loads of evacuees arrived with 14 Dakota flights coming from Chabua and Jorhat alone. Volunteers at Dum Dum and Chowringhee became more numerous and transit and billeting arrangements moved quickly

and smoothly. Praise ran high for the magnificent way in which the I.A.F. had discharged its duties and for the untiring efforts of the aeroplane crews.

The Chinese advance stopped with the cease fire on the 21st/22nd November and almost immediately began the difficult task of arranging to send back—within twelve hours of their arrival in Calcutta—various officials to the North Bank. The Chairman, Assam Branch, along with the Secretary and Assistant Secretary of Zone 3, returned to Tezpur on the 22nd morning, and it was suggested to Agency Houses that managers should be moved at least up to Gauhati, the more easily to return to the North Bank when the signal was given. Money, which was in short supply, was despatched on the 23rd November and next day a Fokker Friendship was chartered to carry planters to the North Bank and to Nowgong. So began a controlled movement of managers back to their gardens North of the Brahmaputra.

Due to possible threats of Chinese incursions into the Eastern Dooars, there was also a partial evacuation of women and children from that area, and the majority were flown to Calcutta from Hasimara on the 25th November. They were met in Calcutta by Mr. John Tilney, Under Secretary for Commonwealth Relations, H.M.G., with whom the General Committee of the Association subsequently had a detailed and informative discussion. During the whole of the evacuation and the return of managers to the North Bank, close liaison was maintained with Government, the Military and with the British High Commission.

During the absence of garden managers, staff and labour behaved for the most part in an excellent manner, and during the rehabilitation period which followed, help and assistance was forthcoming from certain representatives of the I.N.T.U.C. Gradually more normal conditions returned and early in December, the Association was informed that it had been agreed that women and children might return to their estates

on the South Bank—no permission was required for the return to the Dooars, as this had been a personal matter. Later in the month wives and families, with the possible exception of those in more isolated areas, were allowed to return to the North Bank.

These were very difficult days for the Planting Community in the areas affected ; morale was at all times high and wives and families bore cheerfully and with resolution the prospect that they might not return to their homes for some considerable time. The Association officers upcountry, the Indian Air Force, the British Overseas Airways and representatives of the Joint Steamer Companies rose to the occasion magnificently, and the Association's gratitude and thanks is due to those who laboured unceasingly for the general good of the community during this difficult period.

National Defence Fund.— Following the Chinese incursions into India the Government of India established the National Defence Fund to which contributions were invited from commerce and industry as well as from the general public.

In consultation with the Bengal Chamber of Commerce and Industry the target for contributions from members of the Association to the Fund was fixed at Rs. 20 lakhs. To raise this sum the Association suggested to members that contributions should be made at the rate of 1.2 nP. per kilogram of the average of the crops produced in years 1959 to 1961.

The Government of India indicated that it would be of assistance if companies, which could do so, could make their contributions to the Fund in sterling and the Indian Tea Association, London, issued an appeal to sterling companies concerning this aspect of the matter.

It is satisfactory to record that by the end of year contributions to the Fund had amounted to Rs. 18,22,697.55 as follows :

Sterling

Assam Valley	£	78,103	
Cachar	£	2,330	
West Bengai	£	26,939	
	£	107,372	= Rs. 14,34,116.45

Rupee.

Assam Valley	Rs.	1,96,391.48	
Cachar	Rs.	30,436.00	
West Bengal	Rs.	1,61,753.62	Rs. 3,88,581.10
Total :—			Rs. 18,22,697.55

Dr. B. C. Roy Memorial Fund.—To honour the memory of Dr. B. C. Roy, Chief Minister of West Bengal, who died on the 1st July 1962, a Committee of prominent citizens of Calcutta decided to establish the Dr. B. C. Roy Memorial Fund under the patronage of Her Excellency Srimati Padmaja Naidu, Governor of West Bengal. The main object of the Fund was to construct a children's hospital in memory of Dr. Roy and the target for collection was fixed at Rs. 30 lakhs. The Association's share of this target was fixed at Rs. 1 lakh and members in West Bengal were asked to subscribe at the rate of 21 nP. per 100 kg. of their average production during the years 1958 to 1960. The total contribution made to the Fund by members of the Association amounted to Rs. 1,08,630.75, of which Rs. 88,407.75 was paid through the Association and the balance direct to the Fund.

Shillong Club.— The main building, including the ballroom, and the best residential quarters of the Shillong Club were destroyed in a fire which occurred on the afternoon of the 13th February.

Arrangements have been made for the reconstruction of the Club which it is estimated will cost Rs. 5 lakhs. This includes the construction of a separate residential block costing Rs. 2 lakhs.

As the Shillong Club had provided accommodation which had proved to be of great value to the planters, the Association accepted a suggestion made by the Club that Tea Companies should provide the funds required for the rebuilding of the residential block by taking up debentures or by making loans, which would bear interest at 5% and be redeemable in a period of ten years. The individual shares of the tea companies have been apportioned on an acreage basis. The work of reconstruction has been taken in hand but difficulties are being experienced over supplies of cement.

Assam Chaplaincy Scheme.— The Rev. H. Picton was repatriated to the U. K. at the end of July 1962 for reasons of health and the chaplaincy establishment now consists of—

The Rev. L. T. F. Carpenter	...	Chalkoa
The Rev. P. Innes	...	Digboi

The appointment of a replacement for the Rev. Picton has been deferred pending discussions with the new Bishop of Assam. It has been suggested that with the introduction of an Air Scheme in Assam it might be possible for two Chaplains to serve the entire district and this proposal will also be discussed with the new Bishop.

Tea Companies continued to contribute towards the Scheme in 1962 at the same rate as in 1961 viz. Rs. 124 per 100 hectares.

Planters Amenities Fund.— The rates of subscription to the Planters Amenities Fund for 1962 were fixed at the same level as in 1961 viz :

31 nP. per hectare for Cachar gardens.

62 nP. per hectare for all other tea areas.

The collections made were distributed in accordance with proposals, which received the prior approval of the Committee.

Malaria Control.— A meeting, which was attended on behalf of the Association by the Vice-Chairman, Dr. A. Gilroy, Dr. A. T. Bromley and Mr. T. J. Mathias, was held in April to discuss the implementation and co-ordination of the National Malaria Eradication Programme's activities in tea gardens in Assam and West Bengal, and to review progress made since the last meeting, which had taken place in 1960.

At this meeting it was decided that from July all tea estates in West Bengal would be sprayed by Government teams and that the supply of DDT to gardens would cease. Early reports received indicate a smooth transfer and it is hoped that the spraying operations will be maintained at the same high level as had existed when the estates themselves carried out their own spraying.

In the case of Assam, it was decided that the NMEP units were not in a position to take over spraying of tea estates and that for 1962, and probably for 1963, the existing arrangements should continue. This decision proved to be a rather fortunate one because the Malaria Unit in Dibrugarh exhausted its stocks of DDT early in the transmission season and could not obtain replacements.

The Director of the NMEP agreed that tea gardens should be given DDT for an extra round in February/March commencing from 1963 and it is hoped that tea gardens, which chose to be sprayed by Government teams, will also receive an extra round of spraying. The Ross Institute attaches great importance in malaria control to the early first round of spraying.

The Director disapproved of tea estates applying two rounds of DDT and supplementing them with additional rounds of BHC from their own stocks because he considered that BHC should be kept in reserve in case the *Anopheles Minimus* became resistant to DDT. Members were advised to comply with this request.

The Director stated that a number of cases had been reported of improper use of DDT supplied by government, and the Ross Institute arranged to conduct refresher courses for anti-malaria assistants on tea gardens. Some 115 candidates nominated by tea estates were given instructions in August/September on the change of concept from control to eradication and in the co-operation that was expected from tea estates—particularly in the surveillance phases of the eradication programme.

Calcutta School of Tropical Medicine.— The members of the Association with a few exceptions, continued their support of the Calcutta School of Tropical Medicine during 1962, the subscription being fixed at 7.5 nP. per hectare, which is almost equivalent to the previous rate of 3 nP. per acre. A total of Rs. 10,789/- was accordingly paid over to the School. The Association was represented on the Governing Body of the School by Mr. N. S. Coldwell.

The usual courses for the Licence and for the Diploma in Tropical Medicine were held during the year as from the 16th October 1962.

Ross Institute of Tropical Hygiene.— Tea Companies in the membership of the Association continued to support the Ross Institute of Tropical Hygiene, India Branch, during the year. The rate of subscription for 1962/63 was fixed at ten naye paise per one hundred kilograms of the average annual production of tea subscribers in the year 1959/1960/1961.

With the co-operation of Dr. A. T. Bromley, Chief Medical Officer of the Chuapara Medical Association, the Ross Institute conducted a refresher course for Assistant Medical officers in the Dooars in February 1962.

Rate of Emigrant Labour Cess.— The Government of India, Ministry of Labour and Employment fixed the rate of Emigrant Labour cess for the year 1st October 1962 to 30th September 1963 at Rs. 9/- per assisted emigrant.

Cemeteries in the Tea Districts.— Agency Houses with interests in Darjeeling subscribed towards the Darjeeling Cemeteries' Fund at the rate of Rs. 30/- for each garden while those in Cachar, except gardens in Longai Valley, contributed towards the Christian Cemetery in Silchar at the rate of Rs. 20/- per garden.

Tea Waste (Control) Order 1959.— By a notification dated the 14th November 1962, the Government of India amended the definition of tea waste in the Tea Waste (Control) Order 1959 to read as follows :—

“(f) ‘tea waste’ means tea sweepings, tea fluff, tea fibre or tea stalks or any article purporting to be tea which does not conform to the specifications for tea laid down under the Prevention of Food Adulteration Act, (37 of 1954) but does not include green tea or green tea stalks.”

Supply of Tea Waste for Caffeine Manufacture.— During the year under review the Association maintained its policy that tea gardens should destroy their tea waste on the estates and should not make supplies available for any purpose whatsoever, except to caffeine manufacturers approved by the Association. Special arrangements were made for the supply of tea waste to Eastern Chemical Industries Private Ltd. at Dibrugarh and to Bengal Chemical and Pharmaceutical Works Ltd. at Calcutta for this purpose.

Membership Subscription.— The rate of membership subscription for the last three years has been as follows :—

- 1960— 1.38 nP. per lb. of the average production for the years 1956, 1957 and 1958.
- 1961— 2.88 nP. per kilogram of the average production for the years 1957, 1958 and 1959.
- 1962— 2.88 nP. per kilogram of the average production for the years 1958, 1959 and 1960.

Finance.— Copies of the audited balance sheets of the Association and the Scientific Department as at the 31st December 1962, together with the revenue accounts for the year are attached to this report.

Sir Richard Duckworth, Bt., *Chairman*

Hon. S. P. Sinha, *Vice-Chairman*

B. P. Bajoria,

N. S. Coldwell,

A. C. H. Dolphin,

B. D. C. Dunhill,

H. K. FitzGerald,

G. Kydd,

A. F. Macdonald,

P. B. Nicholls,

G. F. Oldham,

G. A. Whitaker.

E. I. BROWN,

Assistant Secretary,

Royal Exchange,

Calcutta-1.

Calcutta, 1st February, 1963.

REPORT OF THE WEST BENGAL SUB-COMMITTEE

The West Bengal Sub-Committee.— When the Terai Planters Association was reconstituted in July 1962 as the Terai Branch of the Indian Tea Association, it was considered desirable to redesignate the Darjeeling and Dooars Sub-Committee, which would also be responsible for the affairs of the Terai, as the West Bengal Sub-Committee. The following gentlemen served as members of the Sub-Committee for 1962 :—

Mr. G. Kydd,	...	Octavius Steel & Co., Ltd.
	<i>Chairman</i>	
Mr. A. F. Macdonald,	...	Duncan Brothers & Co., Ltd.
	<i>Vice-Chairman</i>	
Mr. F. Carman	...	Williamson Magor & Co., Ltd.
Mr. M. Lamond	...	} Jardine Henderson Ltd.
Mr. J. F. Gibbs	...	
Mr. G. W. Maycock	...	Gillanders Arbuthnot & Co., Ltd.
Mr. C. R. F. Mackenzie	...	McLeod & Co., Ltd.
Mr. G. F. Oldham	...	} Anderw Yule & Co., Ltd.
Mr. P. A. Francis	...	
Mr. L. N. S. P. Pyke	...	Davenport & Co., Ltd.
Mr. A. N. Sircar	...	James Finlay & Co., Ltd.
Mr. D. B. Wallace	...	Shaw Wallace & Co., Ltd.

Threatened Strikes in the Dooars.— Towards the end of June the Duars Cha-Bagan Workers' Union gave notice that a token general strike would be held on the 2nd July in support of the following demands :

- (1) Employment of dependents of the workers in the permanent cadre.

- (2) Implementation of the interim wage increment as decided upon by the Central Wage Board.
- (3) Restoration of cut in amenities particularly medical aid that were in vogue for many decades and recently reduced or withdrawn.
- (4) Raising of rate of extra-leaf plucking to 8 nP. per kg.
- (5) Enforcement of the welfare provisions of the Plantation Labour Act.
- (6) Retiral benefits for the workers of all categories.
- (7) No departmental action against any body involved in a criminal case pending conclusion of the Court proceedings.
- (8) Adequate protection of workers' lines by engaging Chowkidars as before.

The strike was later withdrawn but a fresh notice was issued by the Union early in August announcing that the strike would be held on the 13th August as a mark of protest against the shrinkage of employment and for the fulfilment of the demands previously mentioned. Representatives of the Association were invited by the Labour Minister, West Bengal, to discuss the situation with him on the 13th August when the Association's views on the Union's demands were explained. The token strike was only partially successful.

At the end of August the left wing Unions in the Doars once again threatened to declare a strike during the month of September in support of various demands, several of which had been included in the earlier strike notice and the most important of which related to the grant employment to unemployed dependants. The Assistant Labour Commission, Jalpaiguri, held conciliation proceedings on the 5th September to discuss these demands. After a protracted discussion it was decided that the Union's demands should be referred to the Labour Directorate of the Government of West Bengal, whereupon the Unions agreed to withdraw the strike notice.

Abolition of the Hazri-Doubli System.— For some time the Unions in the Dooars have been agitating for the abolition of the hazri-doubli system and at a meeting held by the Assistant Labour Commissioner, Jalpaiguri, on the 5th September 1962 agreement was reached between the representatives of the Unions and the Dooars Branch on this matter.

In implementation of this Agreement, the Branch and the Association proposed that, as from the beginning of the next plucking season, the hazri-doubli system should be abolished ; that a single task for the day's plucking should be fixed by the manager after the first weighment based on the present task for the hazri, with 11 kgs., 10 kgs. and 6 kgs. added for men, women and children respectively ; and that leaf pice should be paid beyond this task at the rate of 5.5 nP. per kg. Workers who failed to complete the day's task would have 5.5 nP. deducted for every kilogram of the task they failed to pluck, with due regard being given to the ability of a worker of normal diligence to earn the minimum wage. The full task pay and dearness allowance would be dependent on an eight hour day being completed.

These proposals were accepted by the Association as they would not involve any additional cost, and represented merely an interim adjustment until the Wage Board made its final recommendations.

Sirdari Commission.— The payment of sirdari commission has been abolished in some sub-districts in the Dooars and it was considered desirable that the system should be abolished entirely. After consideration by all the interests concerned, the Association issued a recommendation that the sirdari system should be abolished gradually in the light of each garden's circumstances and that, where the system was abolished, an *ex gratia* payment could be made to the sirdars at the rate of Rs. 3/- per head of the workers included in each sirdari, which, it was anticipated, would be equivalent to approximately six months sirdari income.

Bengal Industrial Employment (Standing Orders) Rules, 1946.— In a notification dated the 1st November 1962, the Labour Department of the Government of West Bengal published for comments a draft of proposed amendments to the Bengal Industrial Employment (Standing Orders) Rules, 1946, which provided for the translation of certified standing orders into Bengali as well as into Nepali and Hindi and for their display on the notice boards along with the English text.

Under the existing rules the Standing Orders have to be exhibited in English and in a language understood by the majority of the workers, and Association considered it unnecessary and wasteful, especially during the present emergency when economy in paper and printing should be exercised, that tea gardens should be required to exhibit their standing orders in three languages in addition to the English text. Government were advised of the Association's views accordingly.

Recognition of Trade Unions in West Bengal.— The West Bengal Registrar of Trade Unions had received representations from the Unions suggesting that the Indian Tea Association and Indian Tea Planters Association should agree to "local areas" being demarcated for the purposes of recognition of trade unions before the verification of membership of the Unions was undertaken. It was proposed that Darjeeling and the Terai and the seven I.T.A. circles plus the Baikantapur area of the I.T.P.A. should be recognised as separate local areas.

It was also proposed that in the Dooars verification should be carried out within these areas and that recognition should be given on the membership of the I.T.A. and I.T.P.A. gardens taken together in each area, i.e. on an industry basis.

These proposals were discussed at two meetings with the Registrar in May 1962, which were attended by the Additional Adviser, when it was made clear that the Unions' demand could not be accepted and that the verification of union membership would have to be completed in accordance with the prescribed procedure before the question of recognition could be considered.

Flood Control in North Bengal.— Mr. G. A. Whitaker, the Association's representative on the North Bengal Flood Control Advisory Committee, resigned and Mr. C.R.F. Mackenzie of McLeod & Ltd. was nominated to take his place on the Committee.

A meeting of the Committee took place in July and was attended on behalf of the Association by Brig. F. H. Stevens, the Dooars Branch Secretary. A large number of items was discussed but unfortunately the Committee was unable to arrive at any firm conclusions regarding flood control work which would be of immediate and practical value to tea estates.

The Association considered that every effort should be made to induce the State Government to undertake an active programme of flood control in North Bengal during the 1962/63 cold weather and the Dooars Branch was asked to collect particulars of work at present being carried out by estates themselves to enable the Association's representative to discuss them with the Secretary of the Irrigation and Waterways Department.

The data collected by the Branch was forwarded to the Flood Control Department of the Government of West Bengal who were asked to supply the Association with details of Government's programme for protection work to be carried out in the Dooars during the cold weather. In reply the Chief Engineer, Floods and Flood Control, advised the Association that protection work during the financial year 1962/63 in the Dooars would be limited to the following—

- (1) a scheme for preventing diversion of Beech Raidak into Dhowlajhora in the Jalpaiguri District.
- (2) a scheme for preventing diversion of Beech Raidak into the Takunnari and Raidak I in Jalpaiguri District.

This advice was most disappointing and the Chief Engineer's attention was drawn to the possibility of considerable damage occurring during the coming monsoon at other

places in the Dooars not only to the protection works already installed on various rivers, which were in need of extension, but also to the property of a number of estates. It was recommended that action should be taken to extend the protection works on the left bank of the Toorsa river, as otherwise there was a grave danger of erosion occurring on the properties of the Nedeem Tea Co. Ltd. and the Hasimara Industries Ltd. and of damage to the railway east of the Toorsa Bridge. Schemes for the controlling of the Pagli/Gargand a river and the Gheesh river were also recommended.

It is regretted that when the matter was subsequently discussed with the Chief Engineer, he indicated that apart from the construction of spurs at Dalsingpara it was unlikely that funds would be available for any of the projects recommended by the Association.

Price Enquiry Committee.—By a notification dated the 12th June 1962, the Governor of West Bengal set up a Price Enquiry Committee, under the Chairmanship of Dr. Bhabatosh Datta, Professor and Head of the Department of Economics, Presidency College, Calcutta, to enquire into the causes of the rise in prices of essential commodities of daily use in West Bengal and to suggest appropriate remedial measures to the State Government.

The Enquiry Committee issued a questionnaire, to which the Association submitted a reply, which was confined to the situation in the tea garden areas of North Bengal and to the prices of such essential commodities as affected tea garden employees. Attention was also drawn to the comments made by the Association on foodgrain control in connection with the questionnaire which had been issued by the Government of India's Foodgrains Enquiry Committee of 1957.

In forwarding these replies, the Association recorded its appreciation of the work of the Food Administration in West Bengal in recent years which, as far as the tea garden districts were concerned, had maintained an exceptionally steady level of foodgrain prices.

Air Services in the Dooars.—The various airfields in the Dooars continued to function successfully under the control of the local airfields Committees and the aircraft, operated by Associated Air Works under an agreement with the Dooars Branch, provided a valuable service throughout the year.

As in previous years, Jamair Co. Private Ltd. were retained to provide services between Calcutta and the Dooars ; and gardens in the Dooars agreed to ship $2\frac{1}{2}$ per cent of their crops as backloads by that Company. Some interruption of the services offered by the Company occurred during November and December 1962, as a result of the requisition of the Company's aircraft for duty connected with the national emergency.

Darjeeling Hill Railway.— During the year there were a number of matters which the Association had to refer to the Tea Board involving the services of the D. H. Railway.

(a) *Guaranteed Transport Scheme.*—For some years now there has been in existence a guaranteed transport scheme, under which the railways guarantee, for a fee, to deliver teas from Siliguri and stations on the D. H. Railway to Calcutta within certain specified periods. This scheme has proved most useful to tea gardens in Darjeeling, which have utilised it to bring down their teas to Calcutta quickly instead of sending them down by air. Towards the end of last year the Darjeeling Branch complained that the railways were not providing sufficient wagons at Siliguri for the loading of tea under the scheme and that in almost 50% of the cases in which wagons were provided, the railways were not able to transport the teas to Calcutta within the guaranteed time. The Tea Board has taken the matter up with the N. F. Railway and the Eastern Railway but, although the Association has provided the railway authorities with full details of the cases in which delays have occurred, the railways have not yet been able to complete their investigations during the past year and to give an assurance of improved service for the future.

(b) *Minimum freight charges for Narrow Gauge Wagons.*—In May 1962, the Darjeeling Branch reported that the D.H.

Railway were now charging freight on tea on a minimum load basis of 30 quintals, whereas previously the charge was made on the basis of the actual weight of the consignment. It appeared that the railways were acting in this matter on the basis of Rule 162(1) of the Goods Tariff rules which reads as follows :—

“Bulky articles fully occupying a wagon.— When goods tendered for conveyance are of such a description that owing to their bulk, measurement or other cause, it is found impossible to load each Broad Gauge wagon to the extent of 45 quintals and each Metre or Narrow Gauge wagon to the extent of 30 quintals, such goods will be subject to a charge as for 45 quintals and 30 quintals, respectively, per wagon, at the “Smalls” rate, right through to destination irrespective of whether a break-of-gauge is involved or not, except in cases in which a special minimum is quoted in this Tariff or otherwise notified when such minimum will apply. If charges at the wagon-load rates for the prescribed minimum weight for the wagon-load are less than the charges at the “Smalls” rate, charges at the wagon-load rates will apply.”

As it was inequitable that tea gardens should have to pay the minimum charge, when the wagon itself could not contain the specified weight of tea, the Tea Board was asked to suggest that the Railways should fix a separate minimum weight for tea.

In response to the Tea Board's representation in this matter, the N. F. Railway authorities stated that their investigations had revealed that it was possible for 30 quintals of tea to be loaded into a N. G. Wagon. As the railways appear to have been misinformed on this matter, it has been suggested that further investigations should be made because, if the minimum weight restrictions are not withdrawn, tea gardens using the D. H. Railway would have no alternative but to send their teas to Siliguri by road. Further action by the railway authorities is now awaited.

(c) *Shunting charges.*—In a circular issued on the 10th April 1962, the N. F. Railway notified revised shunting charges for private sidings and it was observed that in the case of the Singell Tea Estate's siding, the minimum shunting charges had been fixed at Rs. 19 per shunt i.e. Rs. 38 for the two ways plus a siding charge of Rs. 2/-making a total of Rs. 40/-.

It was considered most unfair that this Tea Estate's siding charges, which relate to narrow gauge wagons, should be subjected to a minimum charge of Rs. 19/- per shunt when the minimum shunting charge for private sidings on the metre gauge railway in Assam was often as low as Rs. 7/- per shunt. The Tea Board was accordingly asked to refer the matter to the N. F. Railway and to seek a restoration of the previous rate, i.e. 50 nP. per wagon. The Tea Board has taken up the matter with the N. F. Railway, whose reactions are now awaited.

Telephone Service in the Dooars and Darjeeling.—(a) *Tukdah Telephone Exchange.*—To improve the telephone services between Darjeeling and subscribers served by the Tukdah exchange, the Post Master General, West Bengal Circle had been asked to expedite the installation of an additional junction line between these two exchanges ; but no progress was made during the year owing to a shortage of stores.

(b) *Telephone Priority for the Secretary, Dooars Branch.*—Last year the Association asked the Director General of Post and Telegraphs, New Delhi to allow trunk calls booked by the Secretary, Dooars Branch on the subject of law and order to be treated under "immediate" priority. Despite the issue of several reminders the matter remained under consideration by the Post and Telegraphs Department throughout the year.

Following the Chinese invasion of India, the Commissioner, Presidency Division, Government of West Bengal made a recommendation to the Director General of Post and Telegraphs that the Secretary, Dooars Branch should be authorised to make trunk (telephone) calls under "special priority". It is regretted that the Commissioner's request was not acceded to by the Director of Telephone Traffic on the grounds that the

telephone lines in the border areas were already heavily engaged with high priority Government traffic.

West Bengal Estates Acquisition Act.—(a) *General.*—A large number of notifications was issued during the year by the Government of West Bengal amending the West Bengal Estates Acquisition Rules, 1959, and these notifications were circulated to members for information.

(b) *Renewal of Tea Garden Leases.*—In last year's report it was recorded that the Government of West Bengal had published a draft tea garden lease and the Association had submitted detailed comments suggesting various modifications.

In a notification dated the 2nd May 1962, Government published the lease in its final form but it is regretted that very few of the suggestions made by the Association were incorporated in the document. A copy of the final lease is reproduced in the appendices to this report.

West Bengal Forest Advisory Board.—Mr. R. D. McCall of the Rydak Tea Estate in the Dooars continued to represent the Association on the West Bengal Forest Advisory Board, which was reconstituted by the Government of West Bengal in a notification dated the 21st July 1962.

Electricity Supply in North Bengal.—(a) *Darjeeling.*—In last year's report details were given of the various proposals which had been made for improving the supply of power to the Darjeeling Municipality on which 14 estates in the Darjeeling district are dependant for their supplies. Very little progress was made during the year and tea gardens continued to experience considerable inconvenience owing to the very low voltage usually supplied.

The Bijanbari Hydro-electric Project was commissioned in June 1962, and the Bijanbari Power House was put into commercial operation in July 1962, from which date the Municipality has been supplied with a load of 120 kw at Ghoom Sub-station, Sinchal Filter House and Kankhola Pump House sub-station.

The Little Rungneet scheme, which has been approved by the Government of India, is expected to be completed by the end of 1963 provided that there are no difficulties over foreign exchange. The Municipality has asked for 2000 kws of power from this source but the Electricity Board has so far only promised to make available 1000 kws.

The additional power requirements of the Municipality are in the region of 4000 kws to 6000 kws and the Electricity Board expect to meet this demand from the Jaldhaka Hydro-Electric Project.

(b) *State Electricity Consultative Council.*—The Association's request for representation on the State Electricity Consultative Council was approved by the Government of West Bengal and by a notification dated the 3rd May 1962, Sir Richard Duckworth, Bt. was appointed as a member of the Council to represent the Tea Industry.

Two meetings of the Council were held during the year—one in August and the other in November 1962. At the latter meeting, it was reported that the Jaldhaka Hydro-Electric Project had run into certain difficulties, especially in connection with the construction of the weir, and that as a result the scheme, which it had been hoped would be completed by the end of 1964, was now likely to be delayed by approximately one year.

Foreign consultants had been called in and it was to be feared that the cost of the entire project would be substantially increased.

(c) *Jaldhaka Hydro-Electric Project : Transmission Lines.*—Following a request by the Chief Engineer of the State Electricity Board for a comprehensive list of the tea estates which were likely to be interested in obtaining bulk supplies of electricity from the Jaldhaka Hydro-Electric Project, arrangements were made for a delegation to call upon the Chairman and Chief Engineer of the State Electricity Board to obtain clarification of certain points which had been raised by members.

At this meeting the delegation had been shown a map of the main transmission line, and it appeared that the line would run through Birpara and roughly on the line of the railway to Cooch Behar ; that a branch line would travel via Chulsa and Siliguri to Darjeeling ; and that sub-stations would be established at Rombi Bazar, Bagrakote, Siliguri, Chulsa, Chapraneri, Paren, Banarhat, Birpara, Hamiltongunge, 'Alipur Duar and Cooch Behar.

It was explained that feeder lines to bulk consumers would have to be installed at the expense of the consumers concerned, and it was estimated that the cost would be Rs. 12,000 per mile. There would be a guarantee of 18,000 kws of power throughout the year, but during the monsoons this might be augmented by a further 18,000 kws. Initially the price of power would probably be 16 nP. per unit but when averaged over the year this might be reduced to 13 nP. per unit. It seemed likely, however, that there might not be an adequate supply of power for the tea industry once other public commitments had been met, and it was also clear that, in addition to the heavy capital costs of feeder lines and of converting to A.C., tea estates would have to maintain standby driving equipment to guard against emergencies.

The Association has since sent the Chief Engineer of the State Electricity Board a list of the tea gardens likely to be interested in obtaining supplies of electricity, showing their approximate requirements, and their distance from the proposed alignment of the main transmission lines. It is intended in due course to seek assistance from the Tea Board towards the cost of constructing the feeder lines and of converting to A.C.

Training of Dais in Darjeeling.—The courses organised by the Deshbandhu Dai Training Society at Darjeeling continued to be held in 1962 and a number of tea garden nominees attended, applications for admission being channelled through the Association and the Tea Board.

Dooars and Darjeeling Nursing Home.—The Dooars and Darjeeling Nursing Home continued to function efficiently

during the year under review under the supervision of Dr. R. G. Azizkhan, M.B.B.S., F.R.C.S. (Edinburgh), F.R.F.P.S. (Glasgow), F.R.C.S. (Ireland).

The rates of tea company subscriptions were maintained at the same level as in 1961 but they were converted into the metric system as tea garden areas are now recorded in hectares as follows :—

For gardens in Darjeeling	Rs. 4.65 per hectare
“ “ “ Terai	“ 3.85 “ “
“ “ “ the Dooars excluding Eastern Dooars	“ 1.85 “ “
“ “ “ Eastern Dooars	“ 1.25 “ “
Special Health Scheme	“ 4.65 “ “

At a meeting held on the 28th July 1962, the Board of Governors of the Dooars and Darjeeling Nursing Home discussed and approved a proposal for the establishment of a Blood Bank to be operated by the Nursing Home. This proposal had the warm support of the schools and citizens of Darjeeling, who had made substantial donations towards the project and, as it appeared that Dr. Azizkhan and Mrs. Azizkhan were confident of raising funds to cover the capital expenditure likely to be incurred on the scheme and as the estimates for running the Blood Bank submitted by Dr. Azizkhan showed that it would be possible for the Blood Bank to be self-supporting, the Association approved of the project. Various functions were organised in Darjeeling to raise funds for the Blood Bank and Agency Houses in Calcutta made generous donations towards this scheme, which it is expected will come into operation during 1963.

The Board of Governors also considered a proposal to establish a Central Hospital and Nursing Home in the Darjeeling District. Preliminary enquires have been made regarding possible sites for the Central Hospital but the project will require a great deal of further consideration especially in regard to costs.

Darjeeling Chaplaincy Fund.—In 1948, the Association gave an assurance to the Metropolitan of India that on condition that a Chaplain was maintained in Darjeeling, an annual contribution of Rs. 5000/- would be guaranteed by the Industry to assist in the upkeep of the Chaplaincy. During the year under review Agency House gardens in the Darjeeling District contributed at the rate of 85 nP. per hectare to raise the guaranteed sum and the total collection which amounted to Rs. 5014/19, was paid to the Bishop of Barrackpore under whose jurisdiction Darjeeling falls.

G. KYDD,

Chairman.

West Bengal Sub-Committee.

Royal Exchange

Calcutta 1st February, 1963.

**REPORT OF THE SCIENTIFIC DEPARTMENT SUB-
COMMITTEE FOR THE YEAR ENDING 31ST
DECEMBER, 1962.**

The following persons served as members of the Scientific Department Sub-Committee during 1962 :—

Mr. N. S. Coldwell,	...	} James Finlay & Co., Ltd.
<i>Chairman</i>	...	
Mr. A. N. Sircar	...	
Mr. P. B. Nicholls,	...	} Williamson Magor & Co., Ltd.
<i>Vice-Chairman</i>	...	
Mr. M. J. Griffiths	...	
Mr. M. S. Christie	...	Duncan Brothers & Co., Ltd.
Sir Richard Duckworth, Bt.	...	James Warren & Co., Ltd.
Mr. J. A. Eastwood	...	Jardine Henderson Ltd.
Mr. H. K. FitzGerald	...	} Balmer Lawrie & Co., Ltd.
Mr. P. C. Simms	...	
Mr. G. Kydd	...	Octavius Steel & Co., Ltd.
Mr. R. MacIntosh	...	Telepara Tea Estate.
Mr. C. R. F. Mackenzie	...	McLeod & Co., Ltd.
Mr. G. F. Oldham	...	} Andrew Yule & Co., Ltd.
Mr. P. A. Francis	...	
Hon. S. P. Sinha	...	} Macneill & Barry Ltd.
Mr. M. C. Taraporvala	...	
Mr. D. B. Wallace	..	Shaw Wallace & Co., Ltd.
Mr. G. A. Whitaker	...	Gillanders Arbuthnot & Co., Ltd.

During the absence on leave of Mr. Coldwell, Mr. P. B. Nicholls acted as Chairman of the Sub-Committee.

Organisation of Tocklai Experimental Station.— As on the 31st December 1962, the Senior Staff at the Experimental Station consisted of :—

Directorate.—

Director	...	Mr. N. G. Gokhale
Administrative Officer	...	Mr. A. Ahmed
Finance & Accounts Officer	...	Mr. M. K. Choudhury
Maintenance Engineer	...	Mr. N. C. Barua

Physico-Chemistry Branch.—

Senior Physical Chemist	...	Dr. K. G. Tejwani
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Botany Branch.—

Senior Botanist	...	Dr. D. N. Barua
Botanist	...	Mr. W. Hadfield
Additional Officer	...	Mr. P. K. Barua

Agriculture Branch.—

Senior Agriculturist	...	Dr. K. N. Sharma
Agriculturist	...	Mr. S. K. Basu

Plant Protection Branch.—

Senior Entomologist	...	Dr. M. G. Das
Mycologist	...	Dr. V. Agnihothru
Pesticide Testing Officer	...	Dr. T. D. Mukerjea

Biochemistry Branch.—

Senior Biochemist	...	Dr. I. S. Bhatia
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Tea Tasting and Manufacturing Advisory Branch.—

Senior Manufacturing Adviser	...	Mr. J. M. Trinick
Assistant Tea Taster	...	Mr. R. Choudhury

Engineering Development Branch.—

Senior Research Engineer	Mr. I. McTear
Research Engineer	... Mr. D. N. Barbora

Statistics Branch.—

Senior Statistician	... Dr. A. R. Sen
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Advisory Branches.—

ASSAM :—

Chief Advisory Officer	... Mr. S. K. Dutta
Advisory Officer, South Bank	... Mr. J. D. Moir
Advisory Officer, North Bank	... Dr. P. C. Sharma
Advisory Officer (designate)	Mr. J. Wainwright

WEST BENGAL :—

Senior Advisory Officer	... Mr. W. J. Grice
Advisory Officer	.. Mr. H. Mitra

Staff.—

(a) *Resignation.*—Mr. W. F. Grieve resigned from the Association's service and left Tocklai on the 24th July.

(b) *Appointment.*—Mr. A. Ahmed I.A.S. (Retd.) was appointed as Administrative Officer with effect from the 1st September.

(c) *Transfers.*—Mr. H. Mitra was transferred from North Bank to the West Bengal Advisory Branch and was confirmed as Advisory Officer with effect from the 1st April. Dr. P. C. Sharma was confirmed as Advisory Officer with effect from the 1st April and was transferred from Cachar to North Bank on the 20th September.

(d) *Leave*.—Mr. N. G. Gokhale, the Director, was on leave from the 9th June to 30th June. Mr. D. N. Barbora and Dr. A. R. Sen were on long leave from the beginning of the year until the 31st March and 16th June, respectively. Mr. I. McTear was on long leave from the 4th June to 1st August and Dr. I. S. Bhatia from the 2nd July to 16th November.

The following officers had their annual leave during the year : Mr. R. Choudhury, Mr. M. K. Choudhury, Mr. H. Mitra, Mr. N. C. Barua, Mr. S. Basu, Mr. P. K. Barua, Dr. K. G. Tejwani, Dr. T. D. Mukerjee, Dr. V. Agnihothru and Dr. P. C. Sharma.

The following officers had local leave during the year : Mr. W. Hadfield, Dr. G. M. Das, Mr. W. J. Grice, Mr. J. Wainwright, Mr. J. M. Trinick, Mr. S. K. Dutta and Dr. A. R. Sen.

(e) *Visits*.—The Director attended the meeting of the Consultative Committee of the Tea Producers' Association at Calcutta on the 16th April and visited the U. K. for consultations during the period 19th April to 13th May. He also attended the meeting of the Tea Sectional Committee of the Indian Standards Institution at New Delhi on the 24th September.

Mr. W. J. Grice represented the Director at the UPASI Scientific Conference at Coonoor on the 4th September and thereafter, visited six tea estates in South India.

Mr. I. McTear represented the Director at the Seminar organised by the Directorate of Industries Government of Assam, at Golaghat on the 16th January.

Branches.—The Physico-Chemistry Branch continued its investigations into the long term effects of fertiliser treatment on the mineral composition of tea leaf and data from one N.P.K. manurial trial in respect of phosphate and potash contents are now available. Details were collected regarding the variability in the calcium, magnesium and potash contents of tea leaf from individual bushes of one clone and a jaf of tea. Chemical

analysis was carried out of leaf from a clonal plot at Borbhetta where magnesium deficiency was suspected and a small scale field trial has been started in this connection. A field trial was started on a tea estate in the Nowgong district to assess the results of irrigation. The number of soil samples analysed by the Branch during the year totalled 2,832 and this work continues to increase from year to year. The Branch continued to be responsible for meteorological observations at Tocklai and at the three sub-stations.

The Botany Branch continued its work on Breeding, Morphology and Plant Physiological studies. Samples of seed from our biclonal baries were sent for trial to certain tea estates in Assam and the Dooars. Two new vegetative clones were selected, after extensive manufacturing tests, for release to the industry in 1963. Manufacturing tests showed no variation of quality and valuation between tea bushes differing in age from 4 to 20 years. A large number of seed and clonal plants at Borbhetta, varying in age from 1 to 28 years, were examined to study their root systems and it was found that although plants raised from cuttings had an initial advantage over those raised from seed, there was no difference in the root systems when the bushes were mature. A new sensitive light meter was employed to carry out a survey of the light/shade pattern under different species of shade trees. The effects of canopy variation on light transmission and the relationships between leaf area index and light penetration were also studied. Stomatal behaviour of different clones and jats was investigated and this study may assist in the search for drought resistant tea bushes.

The Agriculture Branch continued with the field trials at Borbhetta and co-operated with the Advisory Branches in carrying out field trials in tea estates. A total of 123 field trials continued in 1962. The main subjects under study were manuring, shade, plucking, pruning, rehabilitation of land, weedicides etc. The manurial trials confirmed the previous finding that Ammonium sulphate was the most efficient nitrogenous fertiliser for tea. A large number of new species of

shade trees have been under study in recent years, but only two out of them, i.e. *Albizzia lebbeck* and *A. Lucida*, are considered promising. Trials with various weedicides show that Simazine controls most of the broad leafed weeds effectively and, when applied with Dowpon, there was fairly good control of grasses also. The demand for clonal material from Tocklai continues to be high and nearly 1½ lakh pre-treated cuttings were distributed during the year to member gardens in northeast India.

The Entomology Section continued its studies into the control measures against red spider. Trithion proved to be highly effective against the eggs of red spider. Observations were recorded regarding the life histories of Scarlet mite, tea seed bug and *Orasema* Sp. (the pest which is responsible for causing the so-called sewing blight of tea leaf). Progress has been made in writing up of the handbook on pests of tea in northeast India.

The Mycology Section continued its investigations on the fungous diseases of tea. Further studies were carried out into the incidence of red rust under varying cultural conditions. The effect of spraying with a copper fungicide in control of Thorny stem blight is being investigated in Darjeeling. Nickel chloride and Dithane were tested and did not prove very effective against Red rust. 948 specimens of diseased plant material were received from tea estates and reported on.

The Pesticide Testing Unit continued its work on the screening of pesticides. In addition to the acaricides tested previously, some new products were under trial during the year (e.g. Poly-Kil) and results confirm that Tedion was the most efficient among those tried out. This acaricide has now been released for use in northeast India tea areas. Endrex and Telodrin proved effective in field trials against Looper caterpillar. 4 new pesticides were received for testing and certificates were renewed for 3 pesticides. 596 soil samples were tested for eelworm count and reported on.

The Biochemistry Branch continued its investigations into the ployphenols of tea leaf, nitrogen metabolisms of the tea

plant etc. Epicatechin gallate and Epigallocatechin gallate were isolated in near pure condition by means of a counter current extraction apparatus. Leaf samples of clones 19/29/13, 20/23/1 and 3/77 (TV 1, TV 2 and TV 8, respectively) were collected from three different tea estates in the Dooars and analysed for their polyphenols. Phenolic make-ups of some of the organs of the tea plant were studied. Chemical analysis of samples from the experiment carried out by the Manufacturing Advisory Branch regarding optimum time for chemical wither confirmed the finding of the tea taster.

The Tea Tasting and Manufacturing Advisory Branch worked in close co-operation with the Engineering Development Branch in the trial of new machinery and the various experiments carried out in the Pilot Factory. A pilot experiment was carried out to study the desirability of chemical wither and results confirmed that a chemical wither of at least 9 hours was desirable. A number of products, e.g. Courlene for use as a spreading surface for withering, plastic containers for despatching tea samples, indigenous tissue paper for use in tea chests etc., were tested regarding their suitability for use in tea factories. A total of 15,071 samples of tea were tasted and 99 visits were paid to tea estates in northeast India to advise on manufacturing problems.

The Engineering Development Branch continued its work on machinery development and factory experiments. The Tocklai Continuous Roller was in commercial operation on selected tea estates in Assam and a pilot scale machine was under trial in Darjeeling. In the light of the experience gained during the year, it was found necessary to redesign a considerable number of mechanical items of the Tocklai Continuous Roller. The modifications to the Rotorvane, i.e., introduction of segmented vanes including reverse pitch vanes as well as rotating and adjustable discharge devices, have been observed to result in an improved performance from this machine. A Prototype Continuous Fermentation machine has been completed and will be under trial in 1963. Work on a Prototype commercial-scale Continuous Drier was commenced.

The Statistics Branch continued its investigations into Crop-weather relationships, analysis of past data from N.P.K. experiments, Survey work etc. Investigations into the effects of climatic factors on annual yield showed that rainfall and temperatures during the dry season were the most critical factors. Data from the uniformity trial carried out in Darjeeling were analysed to determine the most efficient shape and size of plots for field experiments in the hills. The data obtained from the pest and disease surveys conducted in the Assam Valley and the Dooars in 1961 were analysed to provide information on the distribution and intensity of pests and diseases and the resulting loss in crop.

The Advisory Branches continued to provide technical assistance to tea estates. A total of 268 visits were paid to tea estates in Assam and 162 visits to tea estates in West Bengal. Advice was sought by tea estates on a variety of problems, e.g., selection, manuring, shade, pruning, pests and diseases etc. 66 field trials were in progress during the year on tea estates in different tea districts of northeast India and these were looked after by the respective Advisory Officers. The Advisory Branches were responsible for running the Lecture Courses at Tocklai other than those on Tea Manufacture.

Visitors.— As in former years, there were a large number of visitors to Tocklai. The following are mentioned specially :

- (a) Dr. Ram Subhag Singh, Minister of Agriculture, Government of India.
- (b) Mr. Moinul Haque Choudhury, Minister of Agriculture, Government of Assam.
- (c) Dr. H. Hüttenbach of Farbwerke Hoechst AG, Frankfurt (M)—Hoechst, West Germany.
- (d) Mr. K. L. Brown of Shell International Chemical Co., Ltd., London.
- (e) Mr. G. A. Misner of Rohm & Hass Co., Philadelphia, U.S.A.

Tea Research Association.—It was mentioned in last year's report that the Association was negotiating with the Council for Scientific and Industrial Research over the formation of a Tea Research Association which would be open to members of all tea producing associations in north east India and which would take over the assets of the Tocklai Experimental Station. Negotiations were virtually complete and the prospectus for the T.R.A. had already been issued when information was received that the Government of India had decided to postpone the granting of its promised financial support for tea research. This news came as a considerable shock to the industry, as a great deal of costly and lengthy work had already been done to arrange for the formation of the T.R.A. and the Tocklai Experimental Station had been maintained at its previous level of activity in the expectation that financial assistance would be forthcoming. It is to be hoped that in view of the industry's importance and its location in the border States of Assam and West Bengal, the Government's decision to withhold financial assistance will be reconsidered.

Annual Conference.—The 19th Annual Conference which was to have been held at Tocklai on the 20th, 21st and 22nd November, had to be postponed, as a result of the emergency.

Lecture Courses.—No "General Lecture Courses" were held during the year. In lieu of these, the following special courses were held which were attended by 236 planters, in all.

Plucking Courses.—2 lecture courses were held during the period 1st to 3rd August and 6th to 8th August, and were attended by 45 planters.

Vegetative Propagation Courses.—6 courses were held during the period 16th April to 12th May and 17th to 29th September. In all, 151 planters attended.

Tea Manufacture Courses.—2 courses were held during the period 14th to 25th May, which were attended by 40 planters.

Labour/Staff Relations.— Labour relations remained generally cordial during the year except for a 'one day' strike by the workers at Borbhetta on 12th January. Later, the workers returned to work after apologising for having gone on strike. After this, the workers again threatened to go on strike twice during the second quarter and once during the third quarter, agitating on points which were mostly considered in earlier conciliation proceedings. The strikes were, however, called off following conciliation proceedings held on each occasion.

The findings of the Tribunal on the Tocklai Employees' Union's claim for increased dearness allowance were published on the 31st January. The increased dearness allowance was awarded to only two members of the staff at Borbhetta who were on I.T.A. scales of pay, and to the Junior Non-Technical grade assistants. The award was implemented.

Scientific Department Publications.— In addition to the usual quarterly and other reports issued by the Scientific Department, the following articles were published in India and foreign scientific journals, and by the Association in its own publications.

Articles in Scientific Journals etc.—

1. Oxidation products of 1-Epicatechin Gallate in Black Teas by E. A. H. Roberts.
2. The Nature of Phenolic Oxidation products in manufactured Black Tea by E. A. H. Roberts.
3. Metabolism of Polyphenols in Tea leaf by I. S. Bhatia and R. Ullah.
4. Calcium Metabolism of Tea by W. Wight.
5. Effect of Sulphate of Ammonia on Growth of Tea by S. K. Dutta.
6. New acaricides for control of the Red spider mite, *Oligonychus coffeae* (Nietner), on tea by T. D. Mukerjee.

7. Biology and Control of *Eurema blanda Silhetana* (Wallace), a pest on Shade trees in tea gardens by R. N. Ganguli.
8. *Trichoglossum hirutum* (Pers. ex ER.) Bourd. Var. *Longisporum* (Tai) E. B. Mains from Assam with a Note on the Indian Geoglossaceae by V. Agnihothrudu and G. C. S. Barua.
9. Effect of Method of Pruning and Different Pruning Cycles on Tea by S. K. Dutta.
10. Coccids on Tea in Northeast India by G. M. Das and R. N. Ganguli.
11. Notes on Fungi from Northeast India XIII. A New species of *Chalara* from roots of tea (*Camellia sinensis* (L.) O. Kuntze) by V. Agnihothrudu and K. C. Barua.
12. On the biology of *Fiorinia theae* Green (Coccoidae : Diaspididae), occurring on tea in Northeast India by G. M. Das and S. C. Das.
13. Tea Classification revised by W. Wight.
14. Notes on Fungi from Northeast India X. *Chaetospermum Camelliae* Sp. Nov. on Tea (*Camellia sinensis* (L.) O. Kuntze) by V. Agnihothrudu.
15. Notes on Fungi from Northeast India XVII. *Menisporella assamica* Gen. et Sp. Nov. by V. Agnihothrudu.
16. A comparison of Some Techniques for the Isolation of Fungi from Tea Soils by V. Agnihothrudu.
17. Economic Importance of Flavonoid Substances : Tea Fermentation by E. A. H. Roberts.
18. An Analysis of the Growth of *Musanga Cecropioides* by D. E. Coombe and W. Hadfield.

19. Termites in Tea—Termites in the Humid Tropics by G. M. Das.
20. The Problem in Tea by D. N. Barua.
21. Soil Micro-Organism and Higher Plants (Book review) by V. Agnihothrudu.

Journals.—

Annual Report of the Scientific Department for 1961 (in press).

Two and A Bud (Tocklai Newsletter) Vol. IX Nos. 1, 2, 3, & 4.

Tea Encyclopaedia Series.—

REVISED SERIALS.—

- 79/1 Fineness of plucking.
- 9/4 The Manuring of Young Tea.
- 17/3 Installation of Meteorological Instruments and Meteorological Observations.

N. S. COLDWELL,
Chairman,
Scientific Department
Sub-Committee.

Royal Exchange,
Calcutta 1st February, 1963

INDIAN TEA ASSOCIATION.

STATEMENTS OF ACCOUNTS

For the year 1962.

INDIAN TEA
BALANCE SHEET

LIABILITIES	Rs.	pP.	Rs.	pP.
CAPITAL ACCOUNT				
As per last Balance Sheet ...	27,10,348	53		
Add—Surplus for the year ...	89,530	38	27,99,878	91
SPECIAL LEVY FOR LEGAL EXPENSES				
As per last Balance Sheet ...			51,463	62
LOANS—UNSECURED ...			1,02,112	00
SUNDRY CREDITORS				
For Expenses ...	94,599	40		
„ Other Finance ...	7,104	08		
Lokpriya Bordoloi Memorial Fund ...	30,600	19		
Planters Amenities Fund ...	70,593	87		
Chief Minister's Relief Fund, Assam ...	58,837	80		
Advance Subscriptions ...	1,293	37		
Due to Indian Tea Association Scientific Dept. ...	4,17,816	79		
Calcutta School of Tropical Medicine ...	10,789	00	6,91,634	50
TOTAL Rs. ...	...	...	36,45,089	03

AUDITOR'S REPORT

We have audited the foregoing Balance Sheet of the Indian Tea Association as at 31st December, 1962 and the Income and Expenditure Account for the year ended on that date in which have been incorporated the certified returns from the Indian Tea Association, London. We have obtained all the information and explanations we have required. Subject to our report of 7th February, 1963, concerning the returns from the Director, Tocklai Experimental Station, in our opinion the Balance Sheet sets forth correctly the position of the Association according to the best of our information and the explanations given to us and as shown by the books of the Association.

ASSOCIATION

as at 31st December, 1962.

ASSETS				Rs.	nP.	Rs.	nP.
FIXED CAPITAL EXPENDITURE (As per Schedule)							
Labour Department	...	...	...	7,05,865	00		
Engineering Department	...	...	...	1,50,587	00		
General	...	...	...	2,75,906	00	11,32,358	00
OUTSTANDINGS							
Subscriptions							
Considered Good	...	...	...	1,27,583	26		
Considered Doubtful	...	...	...	21,432	26		
Interest Accrued	...	...	...	19,778	21		
Income Tax on Security Interest	...	...	...	12,870	90		
Sundries	...	...	...	70,472	89	2,52,137	52
ADVANCES							
	...	...	...			3,21,224	44
DEPOSITS							
Telephone	...	...	...	3,720	00		
Sundries	...	...	...	3,140	00	6,860	00
INVESTMENTS AT COST							
4% Loan 1981 for	Rs. 4,56,800			4,49,948	00		
4% Loan 1985 for	" 1,01,800			1,01,800	00		
4% Loan 1980 for	" 1,00,400			1,00,299	60		
3% Loan 1969 for	" 1,01,100			99,937	35		
4% Loan 1979 for	" 2,00,000			2,00,000	00	9,51,984	95
CASH AND BANK BALANCES							
With State Bank of India on Current Account	...	...	...	4,39,717	62		
" National & Grindlays Bank Ltd. on Fixed Deposit Account	...	...	...	5,00,000	00		
" Indian Tea Association, London at National and Grindlays Bank Ltd. A/c. Development Panel £1465-7-5	...	...	...	19,572	27		
" Adviser, Shillong at State Bank of India	...	...	...	16,109	99		
" In hand	...	...	...	1,823	80		
" Labour Adviser, Darjeeling Branch	...	...	...	
Indian Tea Association on Imprest Account	...	...	...	1,000	00		
In hand	...	...	...	2,300	44	9,80,524	12
TOTAL				...	...	36,45,089	03

W. D. BRYDEN,
Secretary.R. D. DUCKWORTH,
Chairman.

INDIAN TEA Schedule of Fixed

	Cost to 31st December 1961		Additions 1962		Sales during 1962	
LABOUR DEPARTMENT						
Bungalow and Staff Quarters						
Jorhat a/c Labour Officer ...	1,47,776	62	...	...	...	...
" Asst. Labour Officer ...	2,17,839	34	...	...	...	...
Dooars " Labour Officer ...	3,17,642	86	...	...	...	...
" Asst. Labour Officer ...	1,82,591	76	44,857	92	...	...
Sonabheel a/c Labour Officer ...	43,259	59	...	...	...	...
" Asst. Labour Officer ...	2,38,671	19	...	...	...	...
Secretary's Bungalow at Surma Valley ...	36,276	75	4,517	13	...	...
Office Equipment ...	28,141	03	...	...	...	...
Bungalow Furniture ...	1,08,302	75	8,596	07	55	00
Leasehold Land at Darjeeling	3,977	50	...	...	...	...
Labour Officer's Bungalow at Darjeeling ...	72,193	00	...	...	...	...
Air Conditioning Plant & Generating Sets ...	...	...	29,746	69	...	...
Total ...	13,96,672	39	87,717	81	55	00
ENGINEERING DEPARTMENT						
Withering Chamber ...	66,148	81	...	...	...	...
Machine Tools Equipment & Instrument ...	42,970	56	...	...	...	...
Furniture & Fittings ...	10,473	32	...	...	...	...
Bungalow ...	1,20,189	67	...	...	...	...
Power House & Workshop Building ...	53,933	94	...	...	...	...
Electrical Installation ...	1,51,496	59	...	...	...	...
Pilot Factory & Prototype Machinery ...	5,82,252	85	31,341	95	...	...
Engineer's Office at Tocklai ...	12,174	53	...	...	...	...
Engineering Staff Quarters ...	31,340	32	...	...	...	...
Total ...	10,70,980	59	21,341	95	...	...
GENERAL						
Motor Cars ...	1,89,291	67	83,966	50	43,226	48
Advisers' Air Conditioning Plant	50,332	95	3,433	83	...	...
Advisers' Furniture & Fittings	82,083	50	5,263	65	...	...
Furniture & Fittings ...	17,860	00	216	29	...	...
Shillong Adviser's Office Equipment ...	4,922	32	...	...	...	...
Advisers' Equipment ...	5,158	27	...	...	...	...
Cinema Projection Equipment	4,815	00	...	...	...	...
Shillong Adviser's Bungalow	1,11,852	17	557	31	...	...
Auto Cycle for Shillong ...	...	...	2,573	74	...	...
Shillong Adviser's Bungalow Furniture ...	...	...	1,302	32	...	...
Total ...	4,66,315	88	97,313	64	43,226	48

* As per last Balance Sheet

Less adjustment in respect of sales

1,50,155'67

27,330'48

1,22,825'19

ASSOCIATION

Capital Expenditure

Cost to 31st December 1962		DEPRECIATION				To 31st December 1962		Balance as at 31st December 1962	
		To 31st December 1961		For 1962					
1,47,776	62	93,446	62	5,433	00	98,879	62	48,897	00
2,17,839	34	96,915	34	12,092	00	1,09,007	34	1,08,832	00
3,17,642	86	1,88,420	86	12,922	00	2,01,342	86	1,16,300	00
2,27,449	68	92,089	76	13,535	92	1,05,625	68	1,21,824	00
43,259	59	24,556	59	1,870	00	26,426	59	16,833	00
2,38,671	19	1,03,804	19	13,486	00	1,17,290	19	1,21,381	00
40,793	88	12,474	75	2,832	13	15,306	88	25,487	00
28,141	03	28,141	03	...	...	28,141	03	...	...
1,16,843	82	48,997	75	6,784	07	55,781	82	61,062	00
3,977	50	3,977	50	...	...	3,977	50	...	...
72,193	00	7,219	00	6,497	00	13,716	00	58,477	00
29,746	69	...	...	2,974	69	2,974	69	26,772	00
14,84,335	20	7,00,043	39	78,426	81	7,78,470	20	7,05,865	00
66,148	81	66,148	81	...	...	66,148	81	...	...
42,970	56	41,914	56	528	00	42,442	56	528	00
10,473	32	6,375	32	409	00	6,784	32	3,689	00
1,20,189	67	73,625	67	4,656	00	78,281	67	41,908	00
53,933	94	30,093	94	2,384	00	32,477	94	21,456	00
1,51,496	59	1,25,181	59	6,580	00	1,31,761	59	19,735	00
6,13,594	80	5,34,746	85	39,423	95	5,74,170	80	39,424	00
12,174	53	4,186	53	798	00	4,984	53	7,190	00
31,340	32	12,833	32	1,850	00	14,683	32	16,657	00
11,02,322	54	8,95,106	59	56,628	95	9,51,735	54	1,50,587	00
2,30,031	69	1,22,825	19*	16,808	50†	1,39,633	69	90,398	00
53,766	78	20,729	95	3,303	83	24,033	78	29,733	00
87,347	15	36,668	50	5,067	65	41,736	15	45,611	00
18,076	29	8,928	00	914	29	9,842	29	8,234	00
4,922	32	2,056	32	286	00	2,342	32	2,580	00
5,158	27	3,919	27	123	00	4,042	27	1,116	00
4,815	00	481	00	433	00	914	00	3,901	00
1,12,409	48	11,185	17	10,122	31	21,307	48	91,102	00
2,573	74	...	...	514	74	514	74	2,059	00
1,302	32	...	...	130	32	130	32	1,172	00
5,20,403	04	2,06,793	40	37,703	64	2,44,497	04	2,75,906	00

†Total depreciation on 31st December 1962

†Total depreciation on Motor Cars

Less depreciation charged on Cars sold during the year

17,795.30
987.00

INDIAN TEA

INCOME AND EXPENDITURE ACCOUNT

EXPENDITURE	Rs.	nP.	Rs.	nP.
To Contribution to Bengal Chamber of Commerce of Industry			3,50,000	00
„ Establishment	55,797	93		
„ Printing	18,289	54		
„ Stationery	21,172	75		
„ Books and Newspapers	3,089	02		
„ Postages	9,828	66		
„ Telegrams	2,636	54		
„ Telephones	5,287	11		
„ General Charges	17,507	73		
„ Fees paid for Survey of Tea Industry	9,823	00		
„ Travelling	39,882	39		
„ Audit Fee	2,000	00		
„ Sundry Subscriptions	30,950	00		
„ Pensions and Gratuities	45,554	49		
„ Emergency Expenses	12,061	73		
„ Law Charges	50,291	84		
„ Upasi Offices Expenses	3,000	00		
„ Depreciation	1,73,746	40	5,00,919	13
„ Advisors' Salaries and Expenses			4,12,909	34
„ Statistical Department Expenses			35,167	96
„ Contribution to I.T.A. London			41,405	22
„ Contribution to Terai Planters Association			4,000	00
„ Engineering Department Expenses			2,47,525	48
„ Shillong Adviser's Expenses	1,30,603	73		
„ Less Contributions	8,790	00	1,21,813	73
„ Labour Department Expenses :				
Assam Branch	1,72,177	09		
Surma Valley Branch	17,973	02		
Darjeeling Branch	45,615	17		
Dooars Branch	1,17,554	76	3,53,320	04
„ Surplus carried to Balance Sheet			89,530	38
TOTAL Rs. ...	...	...	21,56,591	28

ASSOCIATION.*for the year ended 31st December, 1962.*

INCOME			Rs.	nP.	Rs.	nP.
By Subscriptions	...	...	47,96,779	79		
Less Proportionate share of Scientific Department	...	...	28,79,918	52	19,16,861	27
" Interest	...	...			37,781	68
" Royalty on Prototype Machinery	...	...			1,87,160	00
" Profit on sale of Motor Cars	...	...			8,593	42
" Profit on redemption of Securities	...	...			2,163	25
" Bungalow Rent	...	...	4,225	00		
Less expenses	...	...	193	34	4,031	66
TOTAL Rs. ...			...	...	21,56,591	28

INDIAN TEA
Scientific

BALANCE SHEET as at

LIABILITIES	Rs.	nP.	Rs.	nP.
CAPITAL ACCOUNT				
As per last Balance Sheet	26,62,162	06		
Add—Surplus for the year as per Income and Expenditure Account	3,14,505	75	29,76,667	81
SUNDRY CREDITORS				
For: Expenses	1,10,490	94		
Other Finance	39,560	15	1,50,051	09
Tea Board Grant for Non-recurring Expenditure	1,50,000	00		
Less—Depreciation on Assets acquired ex this grant	5,742	66	1,44,257	34
London Advisory Committee Overdraft at National & Grindlays Bank Ltd., London ... £.131.1.2	...	...	1,750	48
Carried over ...	...	...	32,72,726	72

ASSOCIATION**Department***31st December, 1962.*

ASSETS		Rs.	nP.	Rs.	nP.
FIXED CAPITAL EXPENDITURE (As per Schedule)					
Tocklai Land and Buildings	...	11,26,882	11		
Air Conditioning Plant	...	18,521	00		
Electrical Installation	...	75,484	00		
Internal Telephone Installation	...	3,213	00		
Water Supply	...	83,340	00		
Tea Factory Machinery	...	9,493	00		
Laboratory Apparatus and Equipment	...	96,388	00		
Laboratory Fittings	...	4,089	00		
Advisory Officers' Bungalows	...	44,727	00		
Furniture and Fittings	...	2,27,395	00		
Motor Cars and Vehicles	...	75,555	00		
Meteorological Enclosures	...	10,422	00		
Fencing and Roadways	...	53,334	00		
Fire Fighting Equipment	...	10,935	00		
Wireless Receiving Set	...	287	00		
FIXED CAPITAL EXPENDITURE AGAINST TEA BOARD GRANT (As per Schedule)		44,069	66	18,40,065	11
Less—Depreciation	...	5,742	66	38,327	00
OUTSTANDINGS					
Considered Good	...	...	...	71,161	13
DEPOSITS	...	...	...	1,024	31
ADVANCES	...	...	...
Sundries	...	2,87,151	50		
Due by Indian Tea Association	...	4,17,816	79	7,04,968	29
STOCK OF STORES IN HAND (including Foodstuffs & Coal)		1,29,108	98		
In transit	...	1,022	50	1,30,131	48
Carried Over	...			27,85,677	32

ASSOCIATION**Department***31st December, 1962.*

ASSETS.—(Contd.)			Rs.	nP.	Rs.	nP.
Brought Forward ...			...	...	27,85,677	32
CASH						
With State Bank of India on Current Account ...			1,17,206	80		
„ Director, Tocklai Experimental Station at United Bank of India, Jorhat on Current Account ...			1,56,886	67		
In hand ...			54,326	26		
With Indian Tea Association, London— a/c. Investigation into Chemistry of Made Tea at National & Grindlays Bank Ltd., London on Current Account £. 1764-8-2			23,566	35		
In hand ... £. 20-19-6			280	15		
With Advisory Officer, North Bank at United Bank of India Ltd., Tezpur on Current Account ...			1,376	99		
In hand ...			3	11		
With Advisory Officer, Cachar at United Bank of India Ltd., Silchar on Current Account ...			2,665	96		
In hand ...			687	17		
With Advisory Officer, West Bengal at National and Grindlays Bank Ltd., Darjeeling on Current Account ...			3,887	75		
In hand ...			1,162	19		
Cash in transit ...			1,25,000	00	4,87,049	40
TOTAL RS. ...			...	...	32,72,726	72

W. D. BRYDEN,
Secretary.R. D. DUCKWORTH,
Chairman.

INDIAN TEA
Scientific

INCOME AND EXPENDITURE ACCOUNT

EXPENDITURE	Rs.	nP.	Rs.	nP.
To Office and Establishment ...			10,15,147	12
„ Botanical Branch Expenses ...			2,93,553	88
„ Agricultural Branch Expenses ...			4,91,095	83
„ Biochemistry Branch Expenses ...			99,230	61
„ Tea Tasting & Mfg. Advisory Branch Expenses ...			1,24,191	12
„ Plant Pathology ...			2,17,161	54
„ Soil Physics Chemistry and Meteorology			1,23,323	27
„ Statistical Branch Expenses ...			89,421	20
„ Advisory Branch Expenses :				
Assam ...	2,19,733	70		
Bengal ...	1,47,509	71	3,67,243	41
„ D. A. to Junior Staff ...			5,450	00
„ London and Calcutta Expenditure :				
London Advisory Committee meeting expenses ..	10,435	78		
Investigation into Chemistry of Made Tea ...	51,746	62		
Calcutta Expenditure ...	7,121	95		
London Expenditure ...	6,678	26	75,982	61
„ Depreciation ...			2,62,793	50
„ Bad Debt written off ...			1,641	53
„ Loss on sale of rice ...			4,177	36
„ Surplus carried to Balance Sheet ...			3,14,505	75
Rs. ...			34,84,918	73

ASSOCIATIONDepartment.*for the year ended 31st December, 1962.*

INCOME	Rs.	nP.	Rs.	nP.
By Subscription transferred, from General Account			28,79,918	52
" Sale of Green Tea Leaf and Export Quota Rights			77,368	92
" Sale of Publications			57,173	36
" Sundry Receipts			563	70
" Profit on sale of Motor Car			6,167	16
" Pesticide Testing Fees			14,200	00
" Sale of Clones			1,38,292	26
" Fees for Advice & Lecture Course			40,630	11
" Grant from Tea Board	4,20,000	00		
Less—Grant for Non-recurring expenditure treated separately	1,50,000	00	2,70,000	00
" Refund of expenses by Prof. Clapham			604	70
Rs.			34,84,918	73

INDIAN TEA

Scientific

Schedule of fixed Capital

	Written down value on 31-12-1961		Additions in 1962		Sales during 1962	
	Rs.	nP.	Rs.	nP.	Rs.	nP.
Refrigerators ...			2,366	63		
Calculating Machine (Electric)			3,495	38		
Calculating Machine (Hand) ...			1,400	00		
Meteorological Equipment ...			399	71		
Chromatographic Apparatus ...			987	49		
Chromatographic Apparatus ...			1,855	24		
Building for Statistical Laboratory ...			11,019	20		
Vacuum Distillation Unit ...			2,791	35		
Field Balance ...			1,851	17		
Multiple temperature & humidity		
Chamber (H R C) ...			1,199	08		
Equipment ...			994	25		
Precision balance (Myco) ...			1,497	14		
Pot Culture (Bot) ...			142	40		
Equipment & Benches for Statistical Laboratory ...			10,530	24		
Autoclave (Myco) ...			1,650	40		
Steel Cabinets for herbarium specimens ...			794	50		
Filing Cabinets & Almiraes ...			1,095	48		
Total ...			44,069	66		

ASSOCIATIONDepartmentExpenditure against Tea Board Grant

Total of Col. 2 & 3 minus Col. 4		Percentage of Depreciation	Depreciation in 1962		Balance on 31-12-62	
Rs.	nP.		Rs.	nP.	Rs.	nP.
2,366	63	10%	236	63	2,130	00
3,495	38	10%	349	38	3,146	00
1,400	00	10%	140	00	1,260	00
399	71	20%	79	71	320	00
987	49	20%	197	49	790	00
1,855	24	20%	371	24	1,484	00
11,019	20	10%	1,102	20	9,917	00
2,791	35	20%	558	35	2,233	00
1,851	17	20%	370	17	1,481	00
...
1,199	08	20%	239	08	960	00
994	25	20%	198	25	796	00
1,497	14	20%	299	14	1,198	00
142	40	20%	28	40	114	00
10,530	24	10%	1,053	24	9,477	00
1,650	40	20%	330	40	1,320	00
794	50	10%	79	50	715	00
1,095	48	10%	109	48	986	00
44,069	66		5,742	66	38,327	00

INDIAN TEA

Scientific

Schedule of Fixed Assets

	Written down value on 31-12-1961.		Additions in 1962.		Sales during 1962.	
1	2		3		4	
	Rs.	nP.	Rs.	nP.	Rs.	nP.
Tocklai Land and Buildings						
Buildings ...	11,05,184	00	9,759	29	...	...
Land ...	1,23,433	11	...	...	...	...
Electrical Installation ...	82,412	00	15,286	91	3,343	34
Internal Telephones ...	2,054	00	1,962	18	...	...
Water Supply ...	99,740	00	4,435	14	...	...
Tea Factory Machinery ...	10,547	00	...	...	...	...
Laboratory Apparatus and Equipment ...	1,14,484	00	6,001	85	...	...
Laboratory Fittings ...	802	00	3,741	75	...	...
Air-Conditioning Plant ...	5,632	00	14,946	34	...	...
Fire Fighting Equipment ...	12,150	00	...	...	...	...
Advisory Officer's Bungalows and Staff Quarters						
Doors ...	21,950	00	...	...	...	...
Darjeeling ...	7,396	00	...	...	...	...
Cachar ...	20,349	00	...	...	...	...
Furniture & Fittings						
Tocklai Officers' Bungalows and Office Furniture ...	2,27,098	00	14,618	25	...	...
Advisory Officers' Bungalow and Office Furniture ...	9,425	00	1,794	38	275	00
Meteorological Enclosures ...	11,579	00	...	...	...	...
Fencing and Roadways ...	50,264	00	8,996	22	...	...
Wireless Receiving Set ...	383	00	...	...	...	...
	19,04,882	11	81,542	31	3,618	34
Non-recurring Expenditure against Tea Board Grant, as per Schedule annexed ...			44,069	66		

	Cost to 31-12-1961	Additions in 1962	Sales in 1962
Motor cars and Vehicles ...	2,42,841.73	49,459.28	77,396.39
* As per last Balance Sheet ...		1,66,223.73	44,497.53
Less—Adjustment in respect of Sales ..		66,239.39	5,132.25
	Rs.	99,984.34	39,365.28

ASSOCIATION

Department

Capital Expenditure 1962.

Total of Col. 2 & 3 minus Col. 4.		Percentage of Depreciation	Depreciation in 1962.		Balance on 31-12-62.	
5		6	7		8	
Rs.	nP.		Rs.	nP.	Rs.	nP.
11,14,943	29	10%	1,11,494	29	10,03,449	00
1,23,433	11		...	...	1,23,433	11
94,355	57	20%	18,871	57	75,484	00
4,016	18	20%	803	18	3,213	00
1,04,175	14	20%	20,835	14	83,340	00
10,547	00	10%	1,054	00	9,493	00
1,20,485	85	20%	24,097	85	96,388	00
4,543	75	10%	454	75	4,089	00
20,578	34	10%	2,057	34	18,521	00
12,150	00	10%	1,215	00	10,935	00
21,950	00	10%	2,195	00	19,755	00
7,396	00	10%	739	00	6,657	00
20,349	00	10%	2,034	00	18,315	00
2,41,716	25	10%	24,171	25	2,17,545	00
10,944	38	10%	1,094	38	9,850	00
11,579	00	10%	1,157	00	10,422	00
59,260	22	10%	5,926	22	53,334	00
383	00	25%	96	00	287	00
19,82,806	08		2,18,295	97	17,64,510	11
44,069	66		5,742	66	38,327	00

Total Cost to 31-12-1962	Depreciation		Total Depreciation	Balance at 31-12-1962
	up to 31-12-61	During 1962		
2,14,904.62	*99,984.34	*39,365.28	1,39,349.62	75,555.00

